IN THE SUPREME COURT OF THE STATE OF NEVADA

TKNR, INC., a California Corporation, Appellant, v. W L A B INVESTMENT GROUP, LLC, Respondent.	SC Case No. 85620 DC Case No.: A-18-785917-C

From the Eighth Judicial District Court
The Honorable Linda Marie Bell, District Judge
District Court Case No. A-18-785917-C

APPELLANT'S APPENDIX

Michael B. Lee, Esq. (NSB 10122)
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VOLUME I

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EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC

Plaintiff

vs.

TKNR, INC, a California Corporation, and CHI ON WONG, an individual, and KENNY ZHONG LIN, an individual, and INVESTPRO LLC dba INVESTPRO REALTY and JOYCE A. NICKRANDT, an individual and Does 1 through 5 and Roe Corporations I - X

Defendants

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Case # A-18-785917-C
Dept # Department 14

COMPLAINT

Comes now Plaintiff W L A B Investment, LLC [hereinafter WLAB or Plaintiff] and files this COMPLAINT and for its causes of action states as follows:

PLAINTIFF'S ALLEGATIONS OF FACT

A. IDENTITY OF DEFENDANTS

1 Defendant TKNR, INC, [hereinafter TKNR] was at all relevant times a California Corporation doing business in Clark County, Nevada.

2. INVESTPRO LLC was at all relevant time a Nevada Limited Liability Company dba INVESTPRO REALTY [hereinafter Investpro]. Investpro is a real estate brokerage holding Nevada license # B.0144660.llc and a property management company holding Nevada license # PM.0166824.bkr, which licenses are registered to JOYCE A. NICKRANDT

[herinafter Nickrandt]. Nickrandt is a Nevada resident who, during all time relevant hereto, made direct factual representations as both TKNR's agent and Investpro's agent.

3. CHI ON WONG [hereinafter Wong] is a California resident who owns and controls TKNR, INC and is the alter ego of TKNR. TKNR was and is influenced and governed by Wong. There must is such a unity of interest and ownership between Wong and TKNR that one is inseparable from the other. Adherence to the fiction of separate entity between Wong and TKNR would sanction a fraud or promote injustice.

4. KENNY ZHONG LIN [hereinafter Lin] is a Nevada resident who, during all time relevant hereto, made direct factual representations as both TKNR's agent and Investpro's Chief Executive Officer and agent.

5. The true names of Defendants DOES 1 through 5 and ROE CORPORATIONS I - X, inclusive, are unknown to Plaintiff at this time. Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE is legally responsible or the events and happenings referred to in this complaint, and unlawfully caused the injuries and damages to Plaintiff alleged in this complaint, or who have an interest in the subject property as set forth below. When their true names and capacities of Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein.

6. This Court has jurisdiction and authority to issue judgment in this matter per NRS 13.010.

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B. TRANSACTIONS RESULTING IN THIS LAWSUIT

7. That on or about December 15, 2017 TKNR sold Plaintiff a parcel of real property with a residential triplex on it, specifically the real property located at 2132 Houston Dr Las Vegas, NV, referred to herein as the Subject Property. The Subject Property is a residential rental income property.

8. Investpro was at all relevant times the property manager of TKNR for the Subject Property.

9. Prior to the sale, Investpro did an extensive renovation of the Subject Property for TKNR, as both a property manager and as agent for TKNR, and was also the real estate broker in the sale, representing both the buyer [WLAB] and the seller [TKNR]. In fact, the Seller's Real Property Disclosure Form was both prepared and initialed by Lin.

10. TKNR failed to disclose one or more known condition(s) that materially affects the value or use of the Subject Property in an adverse manner, as required by NRS Chapter 113, in a particular NRS 113.130. TKNR and it's agent Investpro marketed and listed for sale.

    a. TKNR and it's agent Investpro affirmatively stated in a Real Property Disclosure Form dated August 2, 2017 that there were "no conditions or aspects of the property which materially affect it's value or use in an adverse manner", that there were no "previous or current moisture conditions and/or water damage, there were no problems or defects with the electrical system, there were no structural defects, and there was no fungi or mold on the Subject Property.

    b. In fact, there was no permit and no inspection by the City of Las Vegas for extensive renovation work which TKNR, through it's property manager and agent Investpro, had performed. The

electrical system load for Apartment A was increased due to the installation of two air conditioning units and required 100 amp service, but the electrical service was not upgraded to 100 amp service from the existing 50 amp service. Failure to upgrade the electrical service caused the fuses to be blown out multiple times during the summer of 2018. The tenant in Apartment A could not use air conditioning in the summer of 2018, causing Apartment A to be uninhabitable until the electrical system was upgraded.

c. The high moisture exhaust vapor from washer/dryer combination units of Apartment B and Apartment C of the Subject Property were illegally vented into the attics instead of to the outside of the building. Thus, the insulation in the ceiling of the Subject Property is destroyed based on moisture, and the roof plywood of the Subject Property is damaged based on moisture, the electrical system in the attic is damaged based on moisture, and the ceiling is damages based on moisture, and there is fungus and mold in the attic that was caused by the moisture.

d. The air conditioning units were expressly represented by TKNR and it's agent Investpro to have been installed by a licensed contractor. However, these air conditioning units were not installed in compliance with the building code, including that the electrical system was not adequate to run the air conditioning units that were installed. There was no permit and no inspection by the City of Las Vegas building and safety department.

11. Plaintiff discovered the multiple defects after closing on the property on December 15, 2017.

12. Due to the failure of TKNR and Wong, and Lin and Investpro and Nickrandt to disclose the defects set forth above prior to the sale to Plaintiff, Plaintiff

has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

13. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

FIRST CAUSE OF ACTION - RECOVERY UNDER NRS CHAPTER 113
[Defendants TKNR and Wong]

14. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

15. Plaintiff is entitled to recover from TKNR and Wong treble the amount necessary to repair or replace the defective part of the property, together with court costs and reasonable attorney's fees.

SECOND CAUSE OF ACTION - CONSTRUCTIVE FRAUD
[Defendants Investpro and Nickrandt]

16. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

17. WLAB was in a fiduciary or confidential relationship with Investpro and Nickrandt for the purchase of the Subject Property.

18. Investpro and Nickrandt's representations set forth above were deceptive or violated the confidence placed in them by WLAB.

19l WLAB reasonably relied on Investpro and Nickrandt's deceptive representations set forth above or the expected disclosures from Investpro and Nickrandt which they did not provide.

20. Due to the constructive fraud of Investpro and Nickrandt set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

21. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

THIRD CAUSE OF ACTION - COMMON LAW FRAUD

[Defendants Investpro and Nickrandt and Lin]

22. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

23. Defendants Investpro and Nickrandt and Lin made misrepresentations of material fact regarding the Subject Property, as set forth above.

24. Defendants Investpro and Nickrandt and Lin had knowledge of the misrepresentations of material fact regarding the Subject Property to WLAB, as set forth above.

25. Defendants Investpro and Nickrandt and Lin intended to defraud WLAB.

26. WLAB reasonably relied on the misrepresentations of material fact regarding the Subject Property made by Defendants Investpro and Nickrandt and Lin.

27. Due to the the misrepresentations of material fact regarding the Subject Property made by Defendants Investpro and Nickrandt and Lin set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

28. It has been necessary for Plaintiff to retain the services of an attorney and

to incur other court costs to prosecute this action. Defendants Investpro and Nickrandt and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

FOURTH CAUSE OF ACTION - FRAUDULENT INDUCEMENT

[All Defendants]

29. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

30. Defendant TKNR, through it's agents Investpro and Nickrandt and Lin made misrepresentations of material fact regarding the Subject Property, as set forth above.

31. Defendants Investpro and Nickrandt and Lin made misrepresentations of material fact regarding the Subject Property, as set forth above.

32. Defendant Wong is the alter ego of TKNR.

31. Defendants' actions constitute Fraudulent Inducement because :

(1) A false representation was made to WLAB as set forth above;

(2) Defendants Investpro and Nickrandt and Lin had knowledge or belief that, as set forth above, the representations were false or they had knowledge that they had insufficient basis for making the representation;

(3) Defendants TKNR and it's agents, intended to induce WLAB to complete the purchase of the Subject Property;

(4) WLAB justifiably relied upon the misrepresentation of TKNR and it's agents; and

(5) WLAB suffered damages resulting from such reliance.

32. WLAB has been damaged as a result of Shawn's fraudulent inducement.

33. Due to the the misrepresentations of material fact regarding the Subject Property made by Defendants set forth above prior to the sale to Plaintiff,

Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

34. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

WHEREFORE, Plaintiff prays for judgment against Defendants, jointly and severally, as follows:

1. For treble the amount necessary to repair or replace the defective part of the property, which amount is in excess of Fifteen Thousand Dollars ($15,000), plus prejudgment interest from the date of service of the summons and complaint;
2. For compensatory damages in an amount in excess of $ 15,000.00 based on WLAB's proof at trial; and
3. For exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and
2. For costs and disbursements of suit;
3. For reasonable attorneys' fees;
4. For such other and further relief as the Court may deem just and proper.

/s/ Benjamin B. Childs

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EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC

Plaintiff

vs.

TKNR, INC, a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and ZHONG KENNY LIN aka KENNY ZHONG LIN aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K.LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual and INVESTPRO INVESTMENTS I LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company, and Does 1 through 15 and Roe Corporations I - XXX

Defendants

Case # A-18-785917-C
Dept # 14

AMENDED COMPLAINT

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Comes now Plaintiff W L A B Investment, LLC [hereinafter WLAB or Plaintiff] and files this AMENDED COMPLAINT and for its causes of action states as follows:

PLAINTIFF'S ALLEGATIONS OF FACT

A. IDENTITY OF DEFENDANTS

1. Defendant TKNR, INC, [hereinafter TKNR] was at all relevant times a California Corporation doing business in Clark County, Nevada.

2. INVESTPRO LLC was at all relevant times a Nevada Limited Liability Company dba INVESTPRO REALTY [hereinafter Investpro]. Investpro is a real estate brokerage holding Nevada license # B.0144660.llc and a property management company holding Nevada license # PM.0166824.bkr, which licenses are registered to JOYCE A. NICKRANDT [herinafter Nickrandt].

3. Nickrandt is a Nevada resident who, during all time relevant hereto, made direct factual representations as TKNR's agent, WLAB's agent and Investpro's agent. At all times relevant to this case, Nickrandt was a manager of Investpro.

4. CHI ON WONG aka CHI KUEN WONG [hereinafter Wong] is a California resident who owns and controls TKNR, INC and is the alter ego of TKNR. TKNR was and is influenced and governed by Wong. There must is such a unity of interest and ownership between Wong and TKNR that one is inseparable from the other. Adherence to the fiction of separate entity between Wong and TKNR would sanction a fraud or promote injustice.

5. ZHONG KENNY LIN aka KENNY ZHONG LIN aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K.LIN aka CHONG KENNY LIN aka ZHONG LIN [hereinafter Lin] is a Nevada resident who, during all time relevant hereto, made direct factual representations set forth below as both TKNR's agent and Investpro's Chief Executive Officer and agent. At all times relevant, Lin was also Chief Executive Officer of INVESTPRO INVESTMENT LLC and INVESTPRO MANAGER LLC. Lin is also founding chairman of INVESTPRO MANAGER LLC. Lin is also the Chairman and founder of Investpro.

6. YAN QIU ZHANG is a Nevada resident who, during all time relevant hereto, was a manager and registered agent of Investpro.

7. LIWEI HELEN CHEN aka HELEN CHEN [Chen] is a Nevada resident who, during all time relevant hereto, was a real estate agent employed, associated and/or the agent of Investpro who represented Plaintiff as the buyer of the Subject Property. Chen was the buyer's agent, representing Plaintiff.

8. INVESTPRO INVESTMENTS I LLC was at all relevant times a Nevada Limited Liability Company. INVESTPRO INVESTMENTS I LLC is the Flipping Fund described in below.

9. INVESTPRO MANAGER LLC was at all relevant times a Nevada Limited Liability Company. INVESTPRO MANAGER LLC presented and solicited investors for the Flipping Fund described below. INVESTPRO MANAGER LLC managed Investpro INVESTMENTS I LLC, the Flipping Fund, and also managed the renovation project of the Subject Property prior to the sale of the Subject Property to Plaintiff. INVESTPRO MANAGER LLC used TKNR as a sham owner of the Subject Property while in reality INVESTPRO MANAGER LLC retained control of all decisions regarding the Subject Property.

10. MAN CHAU CHENG is a Nevada resident who, during all time relevant hereto, was a manager of INVESTPRO MANAGER LLC and was a founder of INVESTPRO MANAGER LLC.

11. The true names of Defendants DOES 1 through 5 and ROE CORPORATIONS I - X, inclusive, are unknown to Plaintiff at this time. Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE is legally responsible or the events and happenings referred to in this complaint, and/or unlawfully caused the injuries and damages to Plaintiff alleged in this complaint, or who have an interest in the subject property as set forth below. When their true names and capacities of Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein.

12. The true names of Defendants DOES 6 through 10 and ROE CORPORATIONS XI -XX, inclusive, are unknown to Plaintiff at this time. Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE were the recipients of the assets immediately before, at or following the dissolution

of Investpro INVESTMENTS I LLC in violation of NRS CHAPTER 112 - Uniform Fraudulent Transfer Act. When their true names and capacities of Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein.

13. The true names of Defendants DOES 11 through 15 and ROE CORPORATIONS XXI - XXX, inclusive, are unknown to Plaintiff at this time. Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE were the recipients of the assets immediately before, at or following the dissolution of TKNR in violation of NRS CHAPTER 112 - Uniform Fraudulent Transfer Act. When their true names and capacities of Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein

14. This Court has jurisdiction and authority to issue judgment in this matter per NRS 13.010.

B. TRANSACTIONS RESULTING IN THIS LAWSUIT

15. That on or about December 15, 2017 TKNR sold Plaintiff a parcel of real property with a residential rental Unit A, Unit B and Unit C on it, specifically the real property located at 2132 Houston Dr Las Vegas, NV, referred to herein as the Subject Property. The Subject Property is a residential rental income multfamily apartment.

16. Investpro was at all relevant times the property manager on behalf of INVESTPRO MANAGER LLC and/or TKNR from September 30, 2015 to December. 15, 2017, on behalf of Plaintiff from Dcember 15, 2017 to July 30, 2018 for the Subject Property.

17. Lin is the manager of a Flipping Fund and also represents himself as the "CEO of Investpro Investment LLC & Investpro Manager LLC". The Flipping Fund is represented in promotional material as follows :

FLIPPING FUND
INVESTPRO INVESTMENTS I LLC
PRESENT BY INVESTPRO MANAGER LLC
KENNY LIN
Phone : +1 (702) 726-0000
Email : zhong.kenny@gmail.com

1. TERM : 1-3 YEARS
2. MINIMUM UNITS: $50,000 MINIMUM, $1000 PER UNIT.
3. USE OF FUND: FLIPPING RESIDENTIAL PROPERTIES IN LAS VEGAS.
4. RETURNS: 8 % PREFERRED PER ANNUL PAYS EVERY QUARTER, HEN AFTER ALL MONEY RETURNED TO INVESTORS, THE NET PROCEED SPLIT 75% TO INVESTORS AND 25 % TO MANAGER LLC.
5. WITHDRAW: NO WITHDRAW WITHIN 1ST 12 MONTH , AFTER THAT YOU CAN RESALE YOUR SHARE OR COMPANY WILL BUY IT BACK.

CLOSE OUT DATE: DEC. 31,2015

WHAT'S FLIPPING FUND?
Flipping Fund is established by Investro Investments Foundation. The fund will be investing on purchasing value increasing real estates in Las Vegas. Once reached the term, the property will be sold out. Profits will be put back into the fund for investing another property.

18. INVESTPRO INVESTMENTS I LLC is the business entity used by Lin for the Flipping Fund. Lin is the Chief Executive Officer of INVESTPRO INVESTMENTS I LLC.

19. INVESTPRO MANAGER LLC is the business entity used by Lin to present and solicit investors and funds to the Flipping Fund. INVESTPRO MANAGER LLC was also the project manager for renovation of the Subject Property as described below. Lin is the Chief Executive Officer of INVESTPRO MANAGER LLC.

20. Prior to the sale of the Subject Property, INVESTPRO MANAGER LLC performed as a general contractor without being licensed as a general contractor in that INVESTPRO MANAGER LLC identified scope of renovation, demolition, and construction work, managed the renovation, demolition, and construction work on the Subject Property from soliciting subcontractors bids, evaluating bids from subcontractor, awarding contracts to subcontractors, monitoring subcontractor work and paying subcontractors, handypersons and unlicensed workers. INVESTPRO MANAGER LLC contracted for extensive renovation, demolition, and construction work on the Subject Property.

21. INVESTPRO MANAGER LLC was the project manager for the renovation of the Subject Property.

22. Investpro was also the real estate broker in the sale, representing both the buyer [WLAB] and the seller [TKNR].

23. TKNR and it's agent Investpro marketed and listed for sale.

24. Seller's Real Property Disclosure Form was prepared, presented and initialed by Lin on or about August 7, 2017.

25. TKNR failed to disclose one or more known condition(s) that materially affect(s) the value or use of the Subject Property in an adverse manner, as required by NRS Chapter 113, in a particular NRS 113.130.

26. TKNR and it's agent Investpro marketed and listed the Subject Property for sale.

27. Factual statements from the August 7, 2017 Seller Real Property Disclosure Form (SRPDF) are set forth in Paragraph 31 and the subsections thereof state whe the disclosures were either inadequate or false. The SRPDF states that it was prepared, presented and initialed by Kenny Lin.

28. All work on the Subject Property which is complained of herein was performed at the direction of INVESTPRO MANAGER LLC and Investpro, as TKNR's agent. Further, all work on the Subject Property which is complained of herein occurred within two years prior to the sale to Plaintiff and while the Subject Property was under TKNR's ownership

and INVESTPRO MANAGER, LLC's control.

29. Since the Subject Property is a residential rental apartment, to protect tenants and consumers, the applicable local building code requires all renovation, demolition, and construction work must be done by licensed contractors with permits and inspections to ensure compliance with the Uniform Building Code [UBC].

30. INVESTPRO MANAGER LLC is not a Nevada licensed general contractor.

31. Defendants Lin, Investpro, as TKNR's agent, TKNR, Wong and INVESTPRO MANAGER LLC, as the true owner of the Subject Property, did not disclose any and all known conditions and aspects of the property which materially affect the value or use of residential property in an adverse manner, as itemized below.

a. SRPDF stated that Electrical System had no problems or defects.

The fact is that many new electric lines were added and many old electric lines were removed by Investpro Manager LLC . The swamp coolers that were removed were supplied by 110 volt power supply lines. Investpro Manager LLC first added one 220v power supply line for one new 5 ton heat pump package unit on one roof top area for the whole building for Unit A. Unit B and Unit C.

Investro Manager, LLC then removed the one year old 5 ton heat pump packaged unit from the roof top with power supply lines and added two new 220v power supply lines for two new 2 ton heart pump package units, one each for Unit B and Unit C.

Inestpro Manager, LLC then added one new 110 volt power supply line for two window cooling units for Unit A. The electrical system load for Unit A was increased due to the installation of two new cooling units and required 100 amp service, but the electrical service was not upgraded to 100 amp service from the existing 50 amp service. Failure to upgrade the electrical service caused the fuses to be blown out multiple times during the cooling seasons of 2018. The tenants in

Unit A could not use air conditioning units in cooling seasons of 2018, causing Unit A to be uninhabitable until the Unit A electrical supply panel was upgraded to 100 amp service.

All the electrical supply line addition and removal work were performed without code required electrical load calculation, permits and inspections. To save money, minimize flipping cost, minimize flipping time, maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to do the electrical work and used low quality materials used inadequate electrical supply lines.

Further, to save money, minimize flipping cost, minimize flipping time, maximize flipping fund profits, Investpro Manager LLC used unskilled workers who did not know the UBC requirements to do the electrical work This substandard work may lead electrical lines to overheat and cause fires in the attic when tenant electrical load is high.

Further, to save money, minimize flipping cost, minimize flipping time, maximize flipping fund profits, Investpro Manager LLC used unskilled workers who did not know the UBC requirements to do the electrical work. The outlets near the water faucets in kitchens, bathrooms and laundry areas were not GFCI outlets as required by the UBC.

b. SRPDF stated that Plumbing System had no problems or defects.

The fact is that that within two years prior to the sale to Plaintiff, Investpro Manager LLC removed and plugged swamp cooler water supply lines without UBC required permits and inspections. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers who just plugged high pressure water supply lines at rooftop instead of at ground level and who did not remove the water supply lines on top of the roof, inside the attic and behind the drywall. In cold winter, the high pressure water line which was left inside the building may freeze

and break the copper line and lead flooding in the whole building.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to remove and plug natural gas lines for the natural gas wall furnaces without UBC required permits and inspections.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers with little knowledge of natural gas pipe connection requirements. The unlicensed and unskilled workers used the wrong sealing materials and these sealing materials may degrade and lead to natural gas leaks and accumulation inside the drywall and the attic which may cause an explosion or fire.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to completely renovate all three bathrooms in the Subject Property without UBC required permits and inspections. Some faucets and connections behind tile walls and drywall leak and are causing moisture conditions behind tile walls and drywalls.

c. SRPDF stated that Sewer System and line had no problems or defects.

The subject property was built in 1954. Clay pipes were used at that time for sewer lines. Before the sale, within few days after tenants moved into apartment Unit B, they experienced clogged sewer line which caused the bathrooms to be flooded. The tenants called Investpro to ask them to fix the clogged pipes and address the flooding issues. After this report, Investpro asked tenants to pay to hire plumber to snake the sewer line. After tenants threatened to call the Las Vegas code enforcement office, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro used unlicensed and unskilled workers to snake the clay sewer pipes. Licensed contractors must be hired to snake

sewer pipes as code required. This approach to clearing the clog may break the clay sewer pipes and cause future tree root grown into sewer lines and clogs in sewer lines.

d. SRPDF stated that Heating System had problems or defects.

No full explanation was provided, as required. Investro Manager, LLC disabled natural gas heating system without UBC required permits and inspections. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers with little knowledge about natural gas pipe connection requirements. They used the wrong sealing materials and these sealing materials may degrade and lead to a natural gas leak inside the drywall and the attic and may cause an explosion or fire.

Further, Investpro Manager LLC installed two electrical heat pump heating systems without UBC required permits and inspections for Unit B and Unit C. The Unit A does not have an electrical heat pump heating system nor a natural gas wall furnace heating system now. Unit A has to use portable electrical heaters.

e. SRPDF stated that the Cooling System had problems or defects

No full explanation was provided, as required. Investro Manager, LLC removed old swamp cooler systems without UBC requiredpermits and inspections. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro used unlicensed and unskilled workers to disconnect water supply lines, cover swamp cooler ducting holes, and disconnect 110V electrical supply lines.

Further, as early as March of 2016, Investro Manager, LLC hired Air Supply Cooling to install one five ton new heat pump package unit with new rooftop ducting systems on one roof area to supply cooling and heating air to the whole

building consisting of Unit A, Unit B and Unit C without UBC required weight load and wind load calculations, permits and inspections. The five ton heat pumps package unit was too big, too heavy and had control problems. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC also used unlicensed and unskilled workers to remove the one year old five ton heat pump package unit with ducting system without UBC required permits and inspections. All of this work was done without UBC required structural calculation, permits and inspections.

Further, in early June, 2017, Investro Manager, LLC hired The AIR TEAM to install two new two ton heat pump package units, one each for Unit B and Unit C. Invespro Manager, LLC also used unlicensed and unskilled workers to install two window cooling units in Unit A's exterior walls. All of the above work was done without UBC required permits and inspections.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investro Manager, LLC did not replace the old, uninsulated swamp cooler ducts with new insulated HVAC ducts as the UBC required. This resulted in the heat pump package units being overloaded and damaged during cooling season because cool air was heated by uninsulated attic hot air before delivering the cooled air to the rooms. The old, uninsulated swamp cooler ducts were also rusted and leaked due to high moisture air from the bathroom vent fans and the clothes washer/dryer combination unit exhaust vents. The heat pumps would run all the time but still could not cool the rooms.

f. SRPDF stated that Smoker detector had no problems or defects

During Plaintiff's inspection at August 10, 2017 afternoon, some smoke detectors were missing.

g. SRPDF stated that no Previous or current moisture conditions and or water damage.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investro Manager, LLC used unlicensed and unskilled workers to vent high moisture bathroom fan exhaust and washer/dryer combination unit exhaust into the ceiling attic area instead of venting outside the building roof without UBC required permits and inspections. The improper ventings caused high moisture conditions in ceiling attic and water damages in ceiling and attic. The high moisture conditions in the ceiling attic destroyed ceiling attic insulations, damaged the roof decking, damaged roof trusses and damaged roof structure supports.

To saving money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to complete renovation to all three bathrooms without UBC required permits and inspections. Some faucets and connections behind tile walls and drywall leaks and caused moisture conditions behind tile walls and drywalls.

h. SRPDF stated that there was no structure defect.

Investpro Manager LLC added one new five ton heat pump package unit with ducting systems on the one roof top area for the whole building in early March, 2016 without UBC required weight load and wind load calculation, permits and inspections. Due to the five ton heat pump package unit being too big, too heavy and having control problems to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investro Manager, LLC used unlicensed and unskilled workers to remove the one year old five ton heat pump package unit with part of the ducting system again without UBC required permits and inspections. Investpro Manager LLC added two new two ton heat pump package units on the two roof top areas for Unit B and Unit C with new ducting

systems without UBC required weight load and wind loan calculation, permits and inspections.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to open two new window holes on exterior walls for two window cooling units in Unit A without UBC required structure calculation, permits and inspections. This work damaged the building structure.

Further, the moisture condition behind tile walls and drywall due to faucets leaking damaged the building structure.

Further, Investpro Manager LLC's unlicensed and unskilled workers used the space between two building support columns as a duct to vent high moisture exhaust from the washer/dryer combination unit exhaust vent from Unit A without UBC required permits and inspections and this damaged the building structure.

The recent inspection of the exterior wall found multiple cracks which indicates structural problems caused by the heavy load on the roof.

i. SRPDF marked Yes and NO for construction, modification, alterations or repairs made without required state. city or county building permits.

Defendants Lin, Investpro, as TKNR's agent, TKNR, and Wong did not provide detailed explanations. All renovation, demolition, and construction work was done by Investpro Manager LLC using unlicensed, and unskilled workers without UBC required weight load and wind load calculations, permits and inspections.

j. SRPDF stated that there were not any problems with the roof.

The roof of the Subject Property was damaged by changing roof top HVAC units and ducting systems multiple times from October, 2015 to June, 2017. Investpro Manager LLC removed the existing swamp coolers from roof top and covered the

swamp coolers ducting holes. Investpro Manager LLC added a five ton heat pump package unit with a new ducting system on one roof top area in March, 2016. Investpro the removed the one year old five ton heat pump package unit with part of the ducting system from the one roof top area in June, 2017. Then Investpro Manager LLC added two two ton heat pump package units on the two roof top areas in June, 2017. The work damaged the roof of the Subject Property to such an extent that when it rains the roof leaks. All of this renovation, demolition, and construction work was done without UBC required weight load and wind load calculations, permits and inspections and this damaged the building roof structure.

k. SRPDF stated that no there were not any fungus or mold problems.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC vented the bathroom high moisture fans and the washer/dryer combination unit exhaust vents into the ceiling and attic without venting outside of the roof. All of this renovation, demolition, and construction work was done without UBC required permits and inspections and this damaged the building structure. After the purchase of the Subject Property, Plaintiff discovered black color fungus mold was found inside ceiling and attic.

l. SRPDF stated that there were not any other conditions or aspects of the property which materially affect its value or use in an adverse manner.

i. Problems with flooring.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to lay low quality cheap ceramic tiles on the loose sandy ground rather than on a strong, smooth, concrete floor base. Within few months after tenants moving into the Subject Property, mass quantities of floor ceramic tiles cracked and the floor buckled. These cracked ceramic

tiles may cut tenants' toes and create a trip and fall hazard. These are code violations had to be repaired before the units could be rented to tenants. The plaintiff has to spend lot money to replace all ceramic tile floor in Unit C with vinyl tile floor.

ii. Problems with the land/foundation.

Within few months after tenants moved into the Subject Property in 2017, large quantities of floor tiles cracked and the floor buckled. This indicated that there may have foundation problems likely due to heavy loads by the new HVAC systems and the venting of moisture into the ceiling and attic. Too much weight loads on the walls caused exterior wall cracking.

iii. Problems with closet doors.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to install closet doors with poor quality for Unit C, all closet doors fell down in three months after tenant move into Unit C.

32. Plaintiff discovered the multiple defects and false or inaccurate statements, as set forth above, after purchasing the property on December 15, 2017,.

33. After selling the property to Plaintiff, TKNR filed a dissolution with the State of California in September, 2018 and it is unknown at this time to whom TKNR disbursed its assets in the dissolution.

34. The assets distributed by TKNR as part of it's dissolution were all of TKNR's assets and were disbursed with the intent to default Plaintiff..

35. Investpro Investments I LLC filed a dissolution with the State of Nevada on January 28, 2019, after the initial Complaint was served. It is unknown at this time to whom Investpro Investments I LLC disbursed its assets in the dissolution.

36. The assets distributed by Investpro Investments I LLC as part of it's dissolution were all of Investpro Investments I LLC's assets and were disbursed with the intent to defraud

Plaintiff.

FIRST CAUSE OF ACTION - RECOVERY UNDER NRS CHAPTER 113

[Defendants TKNR, Wong, and INVESTPRO MANAGER LLC]

37. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

38. Due to the false or inaccurate statements of TKNR, Wong, and INVESTPRO MANAGER LLC as the true owner of the Subject Property, and/or the failure to disclose the defects set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

39. Pursuant to NRS Chapter 113, Plaintiff is entitled to recover from TKNR, Wong and INVESTPRO MANAGER LLC treble the amount necessary to repair or replace the defective part of the property, together with court costs and reasonable attorney's fees.

40. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

41. Due to the violation of the requirements of NRS Chapter 113 by TKNR, Wong and INVESTPRO MANAGER LLC, as set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

SECOND CAUSE OF ACTION - CONSTRUCTIVE FRAUD

[Defendants Investpro, Nickrandt and Chen]

42. Plaintiff realleges and incorporates herein all of the allegations previously made in all

previous paragraphs as though fully set forth herein.

43. Plaintiff was in a fiduciary or confidential relationship with Investpro, Nickrandt and Chen for the purchase of the Subject Property.

44. Investpro, Nickrandt and Chen's representations set forth above were deceptive or violated the confidence placed in them by Plaintiff.

45. Plaintiff reasonably relied on Investpro, Nickrandt and Chen's deceptive representations set forth above or the expected disclosures from Investpro, Nickrandt and Chen, which they did not provide.

46. Due to the constructive fraud of Investpro, Nickrandt and Chen set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

47. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants Investpro, Nickrandt and Chen should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

THIRD CAUSE OF ACTION - COMMON LAW FRAUD

[Defendants Investpro, INVESTPRO MANAGER LLC , TKNR, Wong and Lin]

48. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

49. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin made misrepresentations of material fact regarding the Subject Property to Plaintiff, as set forth above.

50. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin had knowledge of the misrepresentations of material fact regarding the Subject Property to Plaintiff, as set forth above.

51. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin intended to

defraud Plaintiff.

52. Plaintiff reasonably relied on the misrepresentations of material fact regarding the Subject Property made by Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin.

53. Due to the the misrepresentations of material fact regarding the subject property made by Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

54. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

FOURTH CAUSE OF ACTION - FRAUDULENT INDUCEMENT

[Defendants TKNR, INVESTPRO MANAGER LLC , Wong, Investpro and Lin]

55. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

57. Defendant TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin made misrepresentations of material fact regarding the Subject Property, as set forth above.

58. Defendant Wong is the alter ego of TKNR.

59. Defendants' actions constitute Fraudulent Inducement because :

(1) A false representation(s) was/were made to Plaintiff as set forth above;

(2) Defendants TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin had knowledge or belief that, as set forth above, the representations were

false or they had knowledge that they had insufficient basis for making the representation;

(3) Defendants TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin intended to induce Plaintiff to complete the purchase of the Subject Property;

(4) Plaintiff justifiably relied upon the misrepresentation of TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin; and

(5) Plaintiff suffered damages resulting from such reliance.

60. Plaintiff has been damaged as a result of the fraudulent inducement of TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin .

62. Due to the fraudulent concealment of material fact regarding the Subject Property by Defendants TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin as set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

63. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants TKNR,, Investpro, Investpro Manager LLC, and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

FIFTH CAUSE OF ACTION : FRAUDULENT CONCEALMENT

[Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin]

64. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

65. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin concealed or suppressed material facts as set forth above.

66. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin were

under a duty to disclose the concealed facts.

67. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin intentionally concealed or suppressed the concealed facts with the intention of defrauding Plaintiff.

68. Plaintiff did not know about the concealed facts and would have acted differently had they known.

69. Due to the concealment of of material facts regarding the Subject Property made by Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin as set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

70. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

SIXTH CAUSE OF ACTION - BREACH OF FIDUCIARY DUTY

[Defendants Investpro and Nickrandt and Chen]

71. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

72. Defendants Investpro and Nickrandt and Chen owed a fiduciary duty to the Plaintiff in acting as the real estate agent and/or broker for the Plaintiff.

73. Defendants Investpro and Nickrandt and Chen breached duties owed as a fiduciary because Defendants Investpro and Nickrandt and Chen failed to meet their duties owed to the Plaintiff, including without limitation, a duty to conduct their obligations in a reasonable and customary manner consistent with local standards, a duty to honestly

inform the Plaintiff of the status and facts of the purchases and sales, and a duty to meet their obligations as agreed to in acting as a real estate agent and/or broker.

74. As a direct and proximate result of Plaintiff's reliance upon Defendants Investpro and Nickrandt and Chen in acting as their fiduciary, Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

75. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

SEVENTH CAUSE OF ACTION - RICO

[Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC]

76. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

77. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC engaged in criminal enterprise under the guise of a real estate investment fund, the Flipping Fund, to commit fraud on Plaintiff and at least one other individual by engaging in criminal activity by contracting and managing renovation projects for the Subject Property, and other properties, without a license.

78. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC engaged in criminal enterprise under the guise of a real estate investment fund, the Flipping Fund, to commit fraud on Plaintiff and at least one other individual by engaging in criminal activity by soliciting money and running the Flipping Fund without a federal license from the Security and Exchange Commission or a state license from the state of Nevada.

79. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC used the proceeds of the above described activity to purchase assets including, but not limited to, membership interest in TKNR.

80. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC used the proceeds of the above described activity to pay Flipping Fund investors a promised 23.69% compound rate.

81. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC used the proceeds of the above described activity to generate sales commissions for Investpro.

82. As a direct and proximate result of the actions of Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC, Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

83. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

EIGHTH CAUSE OF ACTION - DAMAGES UNDER NRS 645.257(1)

[Defendant Chen, Lin, Investpro and Nickrandt]

84. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

85. At all relevant times Investpro was the real estate broker for the purchase and sale of the Subject Property.

86. Investpro represented both the buyer and the seller in the transaction.

87. At all relevant times Chen was the employee or agent of Investpro.

88. At all relevant times Lin was the employee or agent of Investpro.

89. At all relevant times Nickrandt was the licensee of Investpro.

90. NRS 645.252(1)(a) imposes a duty on a "licensee acting as agent in real estate transaction" to disclose to Plaintiff "Any material and relevant facts, data or information which the licensee knows, or which by the exercise of reasonable care and diligence should have known, relating to the property which is the subject of the transaction."

91. The facts of the renovation project on the Subject Property set forth in Paragraph 31 were material and relevant facts, data or information which Chen knew, or which by the exercise of reasonable care and diligence should have known.

92. Chen had an obligation under NRS 645.252(1)(a) to disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31.

93. The facts of the renovation project on the Subject Property set forth in Paragraph 31 were material and relevant facts, data or information which Lin knew, or which by the exercise of reasonable care and diligence should have known.

94. Lin had an obligation under NRS 645.252(1)(a) to disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31.

95. The facts of the renovation project on the Subject Property set forth in Paragraph 31 were material and relevant facts, data or information which Nickrandt knew, or which by the exercise of reasonable care and diligence should have known.

96. Nickrandt had an obligation under NRS 645.252(1)(a) to disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31.

97. Chen did not disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31 to Plaintiff.

98. Lin did not disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31 to Plaintiff.

99. Nickrandt did not disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31 to Plaintiff.

100. Plaintiff seeks judgment for actual damages against Chen pursant to NRS 645.257(1).

101. Plaintiff seeks judgment for actual damages against Lin pursant to NRS 645.257(1).

102. Plaintiff seeks judgment for actual damages against Nickrandt pursant to NRS 645.257(1).

NINTH CAUSE OF ACTION - FAILURE TO SUPERVISE, INADEQUATE TRAINING AND EDUCATION

[Defendant Investpro, Zhang, and Nickrandt]

103. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

104. At all relevant times Lin and Chen were the employees or agents of Investpro. Nickrandt is the licensee of Investpro and Zhang is a manager of Investpro.

105. Investpro, Zhang, and Nickrandt failed to supervise their employees or agents, Lin and Chen.

106. Investpro, Zhang, and Nickrandt failed to adequately train their employees or agents, Lin and Chen to ensure that they complied with the law.

107. Investpro, Zhang, and Nickrandt failed to adequately educate their employees or agents, Lin and Chen to ensure that they complied with the law.

108. As a direct and proximate result of the actions of Defendants Investpro, Zhang, and Nickrandt failure to supervise, adequately train or adequately educate their employees or agents, Lin and Chen Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

109. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

TENTH CAUSE OF ACTION : FRAUDULENT CONVEYANCE

[As to TKNR, Doe Defendants 6 - 10 and Roe Defendants XI - XX]

110. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

111. TKNR dissolved and transferred all of its assets to Doe Defendants 6 - 10 and/or Roe Defendants XI - XX

113. TKNR transferred all of it's assets to Doe Defendants 6 - 10 and Roe Defendants XI - XX

(a) With actual intent to hinder, delay or defraud Plaintiff; or

(b) Without receiving a reasonably equivalent value in exchange for the transfer or obligation, and TKNR:

(1) Was engaged or was about to engage in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction; or

(2) Intended to incur, or believed or reasonably should have believed that the TKNR would incur, debts beyond its ability to pay as they became due.

114. Due to the actions of TKNR described above, Plaintiff seeks a declaratory order attaching any judgment against TKNR to Doe Defendants 6 - 10 and/or Roe Defendants XI - XX.

ELEVENTH CAUSE OF ACTION : FRAUDULENT CONVEYANCE

[As to INVESTPRO INVESTMENTS I LLC, Doe Defendants 10 - 15 and Roe Defendants XXI - XXX]

115. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

116. Investpro Investments I LLC dissolved and transferred all of its assets to Doe Defendants

11 - 15 and/or Roe Defendants XXI - XXX

117. Investpro Investments I LLC transferred all of it's assets to Doe Defendants 11-15 and Roe Defendants XXI -XXX

(a) With actual intent to hinder, delay or defraud Plaintiff; or

(b) Without receiving a reasonably equivalent value in exchange for the transfer or obligation, to INVESTPRO INVESTMENTS I LLC :

(1) Was engaged or was about to engage in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction; or

(2) Intended to incur, or believed or reasonably should have believed that INVESTPRO INVESTMENTS I LLC would incur, debts beyond its ability to pay as they became due.

118. Due to the actions of INVESTPRO INVESTMENTS I LLC described above, Plaintiff seeks a declaratory order attaching any judgment against INVESTPRO INVESTMENTS I LLC to Doe Defendants 11-15 and/or Roe Defendants XXI - XXX.

TWELVFTH CAUSE OF ACTION : CIVIL CONSPIRACY

[As to Defendant MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC]

119. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

120. All, or some combination of, Defendants MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC engaged in concerted action.

121. The concerted action engaged in by all, or some combination of, Defendants MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and

INVESTPRO MANAGER LLC was intended to accomplish an unlawful objective for the purpose of harming another.

122. Plaintiff was damaged by the act or acts of Defendants MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC and Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

123. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

THIRTEENTH CAUSE OF ACTION - BREACH OF CONTRACT

[As to Defendant Investpro]

124. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

125. At all relevant times Investpro was the real estate broker for the purchase and sale of the Subject Property.

126. By written contract, Investpro represented both the buyer and the seller in the transaction.

127. Pursuant to NRS 645.252(1)(a) Investpro was required to disclose to Plaintiff "Any material and relevant facts, data or information which the licensee knows, or which by the exercise of reasonable care and diligence should have known, relating to the property which is the subject of the transaction."

128. Investpro breached it's contractual duties as it failed to disclose material and relevant facts, data or information which Investrpo knew, or which by the exercise of reasonable care and diligence should have known, relating to the Subject Property.

129. Plaintiff was damaged by the act or acts of Investpro and Plaintiff has suffered and will

suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

130. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

FOURTEENTH CAUSE OF ACTION - BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

[As to Defendant Investpro]

131. Plaintiff incorporates all previous paragraphs as though fully set forth herein.

132. Every contract in Nevada has an implied covenant of good faith and fair dealing which essentially forbids arbitrary, unfair acts by one party that disadvantage the other.

133. As set forth Investpro breached the implied covenant of good faith and fair dealing.

134. Plaintiff was damaged by the act or acts of Investpro and Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

135. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

1. As to Defendant TKNR, Wong and INVESTPRO MANAGER LLC, pursuant to NRS 113.150, judgment jointly and severally for treble the amount necessary to repair or replace

the defective part of the Subject Property, which amount is in excess of Fifteen Thousand Dollars ($15,000), plus court costs and reasonable attorney's fees;

2. As to Defendants Investpro, Nickrandt and Chen, judgment jointly and severally for compensatory damages in an amount in excess of Fifteen Thousand Dollars ($ 15,000.00) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and

3. As to Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin, judgment jointly and severally for compensatory damages in an amount in excess of Fifteen Thousand Dollars ($ 15,000.00) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and

4. As to Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC, pursuant to NRS 204.470, judgment jointly and severally for treble Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000), plus attorney's fees in the trial and appellate courts and costs of investigation and litigation reasonably incurred; and

5. As to Defendant Chen, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

6. As to Defendant Lin, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

7. As to Defendant Investpro, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

8. As to Defendant Nickrandt, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

9. As to Defendants Investpro, Zhang, and Nickrandt, judgment jointly and severally Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

10. For a declaratory order attaching any judgment against TKNR to Doe Defendants 6 - 10

and/or Roe Defendants XI - XX.

11. For a declaratory order attaching any judgment against INVESTPRO INVESTMENTS I LLC to Doe Defendants 11-15 and/or Roe Defendants XXI - XXX; and

12. As to Defendant MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC, judgment jointly and severally for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and

13. As to Defendant Investpro, judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000)

14. For such other and further relief as the Court may deem just and proper

/s/ Benjamin B. Childs
_____
BENJAMIN B. CHILDS, ESQ.
Nevada Bar No. 3946
Attorney for Plaintiff

CERTIFICATE OF ELECTRONIC SERVICE

This AMENDED COMPLAINT, was served through the Odessey File and Serve system. Electronic service is in place of service by mailing.

/s/ Benjamin B. Childs, Sr.
_____
BENJAMIN B. CHILDS, Sr. ESQ.
NEVADA BAR # 3946

MICHAEL B. LEE, ESQ. (NSB 10122)
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Attorney for Defendants

IN THE EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC,

Plaintiff,

vs.

TKNR INC., a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual, and INVESTPRO INVESTMENTS LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company and JOYCE A. NICKRANDT, an individual and Does 1 through 15 and Roe Corporation I - XXX,

Defendants.

CASE NO.: A-18-785917-C
DEPT. NO.: XIV

DEFENDANTS' OFFER OF JUDGMENT TO PLAINTIFF WLAB INVESTMENT, LLC

TO: W L A B INVESTMENT, LLC, Plaintiff; and

BENJAMIN B. CHILDS, ESQ., Attorney for Plaintiff.

Defendants TKNR INC. ("TKNR"), CHI ON WONG ("WONG"), KENNY ZHONG LIN ("LIN"), LIWE HELEN CHEN ("CHEN"), YAN QIU ZHANG ("ZHANG"), INVESTPRO LLC ("INVESTPRO"), MAN CHAU CHENG ("CHENG"), JOYCE A. NICKRANDT ("NICKRANDT"), INVESTPRO INVESTMENTS, LLC ("Investments"), and INVESTPRO MANAGER LLC (hereinafter collectively referred to as the "Defendants"), by and through their

MICHAEL B. LEE, P.C.
1820 E. SAHARA AVENUE, SUITE 110
LAS VEGAS, NEVADA 89104
TEL – (702) 477.7030; FAX – (702) 477.0096

counsel of record, MICHAEL B. LEE, P.C., hereby offers to allow judgment to be taken against them as provided in Rule 68(b) of the Nevada Rules of Civil Procedure and NRS § 17.115 in the above-entitled action in the amount of Five Thousand Dollars ($5,000.00), which includes any applicable attorneys' fees, liens, costs, and prejudgment interest.

Acceptance by Plaintiff will therefore result in satisfaction of past, present and future damages with respect to Plaintiff's claims in the case against Defendants and will serve to dismiss and bar the bringing of any and all future causes of action against Defendants by Plaintiff arising out of this matter as identified and referenced in the Complaint filed by Plaintiff in this action. If you accept this offer and give written notice thereof within fourteen (14) days, you may file this offer with proof of service of notice of acceptance. In the event this Offer of Judgment is accepted by Plaintiff, Defendants will obtain a dismissal of the claims as provided by N.R.C.P. 68(d), rather than to allow judgment to be entered against Defendants. Accordingly, and pursuant to these rules and statutes, judgment against Defendants cannot be entered unless ordered by the District Court. This Offer of Judgment shall be deemed withdrawn if not accepted by the deadline.

As to the reasonableness of this offer, the underlying evidentiary supports shows that: (1) Plaintiff's action was not brought in good faith as: the Property was originally constructed in 1954; Marie Zhu ("Zhu") executed a residential purchase agreement ("RPA") for the Property waiving her due diligence; Zhu did not do any inspections although she had the right to conduct, non-invasive/non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals; Zhu waived the Due Diligence condition under Paragraph 7(C) of the RPA; ignored the recommendation to conduct an inspection under Paragraph 7(D) of the RPA; waived the energy audit, pest inspection, roof inspection, septic lid removal inspection, mechanical inspection, soil inspection, and structural inspection; failed to inspect the Property sufficiently as to satisfy her use as required by the RPA; had actual knowledge of TKNR's disclosure that "3 units has brand new AC installed within 3 months," and further that the "owner never resided in

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the property and never visited the property"; was also aware that the minor renovations, such as painting, was conducted by the Seller's "handyman" as disclosed in the Seller's Disclosures; Zhu agreed that she was not relying upon any representations made by Brokers or Broker's agent; Zhu agreed to purchase the Property AS-IS, WHERE-IS, without any representations or warranties; Zhu agreed to satisfy herself, as to the condition of the Property, prior to the close of escrow; Zhu waived all claims against Brokers or their agents for defects in the Property and factors related to Zhu's failure to conduct walk-throughs or inspections; Zhu assumed full responsibility and agreed to conduct such tests, walk-throughs, inspections and research, as she deemed necessary; Nevada Revised Statute ("NRS") § 113.140 clearly provides that the Seller Disclosures does not constitute a warranty of the Subject Property and that the Buyer still has a duty to exercise reasonable care to protect himself; NRS § 113.140 also provides that the Seller does not have to disclose any defect that he is unaware of; NRS § 113.130 does not require a seller to disclose a defect in residential property of which the seller is not aware; a completed disclosure form does not constitute an express or implied warranty regarding any condition of residential property; Chapters 113 and 645 of Nevada Revised Statutes do not relieve a buyer or prospective buyer of the duty to exercise reasonable care to protect himself or herself; Zhu did not exercise reasonable care in protecting herself by conducting an inspection of the Subject Property or the newly installed HVAC systems even though the Purchase Agreement allowed her to; Plaintiff owned the Property for more than a year since before making any inspections about the Property; Defendants was aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property before the time of the sale to Zhu; Defendants were not aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property at the time of the sale to Zhu; Defendants were not aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property after the sale to Zhu; any alleged conditions were open, obvious, and could have been discovered by a reasonable inspection; Seller disclosed there were issues with the heating and cooling systems with the Property; Seller disclosed that there were

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construction, modifications, alterations, and/or repairs made without required state, city, or county building permits; Seller disclosed that the Property was constructed before 1977; Seller disclosed that the kitchen cabinets were brand new; Seller disclosed the sprinklers for the landscaping did not work, all pipes were broken; Seller disclosed that the work, other than the mechanical installation, was done by a handyman; and Seller disclosed that he never resided in the property and/or visited it.

(2) This the offer of judgment is reasonable in light of the foregoing analysis providing both the factual basis for the claims and the legal authority showing the lack of merit of the action; (3) your refusal to accept the offer of judgment will be in bad faith and unreasonable; and (4) the fees sought are reasonable in light of the demand to resolve this matter prior to the commencement of heavy litigation. *See Beattie v. Thomas*, 99 Nev. 579, 588-89, 668 P.2d 268, 274 (1983).

This Offer of Judgment is made solely for the purposes intended by N.R.C.P. 68, and is not to be construed as an admission in any form that Defendants are liable for any of the allegations made by Plaintiff in the Complaint.

DATED this 19 day of November, 2020.

MICHAEL B. LEE, P.C.

/s/ Michael Lee
MICHAEL B. LEE, ESQ. (NSB No.: 10122)
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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 19 day of November, 2020, I placed a copy of the **DEFENDANTS' OFFER OF JUDGMENT TO PLAINTIFF WLAB INVESTMENT, LLC** as required by Eighth Judicial District Court Rule 7.26 by delivering a copy or by mailing by United States mail it to the last known address of the parties listed below, facsimile transmission to the number listed, and/or electronic transmission through the Court's electronic filing system to the e-mail address listed below:

BENJAMIN B. CHILDS, ESQ.
318 S. Maryland Parkway
Las Vegas, Nevada 89101
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Email: ben@benchilds.com
Attorneys for *Plaintiff*

/s/Mindy Pallares
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Attorney for Plaintiff/Counterdefendant

EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC Plaintiff/Counterdefendant vs. TKNR, INC, a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and ZHONG KENNY LIN aka KENNY ZHONG LIN aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K.LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual and INVESTPRO INVESTMENTS I LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company, and Does 1 through 15 and Roe Corporations I - XXX Defendants/Counterclaimants ========== AND RELATED ACTIONS ==========	Case # A-18-785917-C Dept # 14 SECOND AMENDED COMPLAINT

Comes now Plaintiff W L A B Investment, LLC [hereinafter WLAB or Plaintiff] and files this SECOND AMENDED COMPLAINT and for its causes of action states as follows:

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PLAINTIFF'S ALLEGATIONS OF FACT

A. IDENTITY OF DEFENDANTS

1. Defendant TKNR, INC, [hereinafter TKNR] was at all relevant times a California Corporation doing business in Clark County, Nevada.

2. INVESTPRO LLC was at all relevant times a Nevada Limited Liability Company dba INVESTPRO REALTY [hereinafter Investpro]. Investpro is a real estate brokerage holding Nevada license # B.0144660.llc and a property management company holding Nevada license # PM.0166824.bkr, which licenses are registered to JOYCE A. NICKRANDT [herinafter Nickrandt].

3. Nickrandt is a Nevada resident who, during all time relevant hereto, made direct factual representations as TKNR's agent, WLAB's agent and Investpro's agent. At all times relevant to this case, Nickrandt was a manager of Investpro.

4. CHI ON WONG aka CHI KUEN WONG [hereinafter Wong] is a California resident who owns and controls TKNR, INC and is the alter ego of TKNR. TKNR was and is influenced and governed by Wong. There must is such a unity of interest and ownership between Wong and TKNR that one is inseparable from the other. Adherence to the fiction of separate entity between Wong and TKNR would sanction a fraud or promote injustice.

5. ZHONG KENNY LIN aka KENNY ZHONG LIN aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K.LIN aka CHONG KENNY LIN aka ZHONG

LIN [hereinafter Lin] is a Nevada resident who, during all time relevant hereto, made direct factual representations set forth below as both TKNR's agent and Investpro's Chief Executive Officer and agent. At all times

relevant, Lin was also Chief Executive Officer of INVESTPRO INVESTMENT LLC and INVESTPRO MANAGER LLC. Lin is also founding chairman of INVESTPRO MANAGER LLC. Lin is also the Chairman and founder of Investpro.

6. YAN QIU ZHANG is a Nevada resident who, during all time relevant hereto, was a manager and registered agent of Investpro.

7. LIWEI HELEN CHEN aka HELEN CHEN [Chen] is a Nevada resident who, during all time relevant hereto, was a real estate agent employed, associated and/or the agent of Investpro who represented Plaintiff as the buyer of the Subject Property. Chen was the buyer's agent, representing Plaintiff.

8. INVESTPRO INVESTMENTS I LLC was at all relevant times a Nevada Limited Liability Company. INVESTPRO INVESTMENTS I LLC is the Flipping Fund described in below.

9. INVESTPRO MANAGER LLC was at all relevant times a Nevada Limited Liability Company. INVESTPRO MANAGER LLC presented and solicited investors for the Flipping Fund described below. INVESTPRO MANAGER LLC managed Investpro INVESTMENTS I LLC, the Flipping Fund, and also managed the renovation project of the Subject Property prior to the sale of the Subject Property to Plaintiff. INVESTPRO MANAGER LLC used TKNR as a sham owner of the Subject Property while in reality INVESTPRO MANAGER LLC retained control of all decisions regarding the Subject Property.

10. MAN CHAU CHENG is a Nevada resident who, during all time relevant hereto, was a manager of INVESTPRO MANAGER LLC and was a founder of INVESTPRO MANAGER LLC.

11. The true names of Defendants DOES 1 through 5 and ROE CORPORATIONS I - X, inclusive, are unknown to Plaintiff at this time.

Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE is legally responsible or the events and happenings referred to in this complaint, and/or unlawfully caused the injuries and damages to Plaintiff alleged in this complaint, or who have an interest in the subject property as set forth below. When their true names and capacities of Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein.

12. The true names of Defendants DOES 6 through 10 and ROE CORPORATIONS XI -XX, inclusive, are unknown to Plaintiff at this time. Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE were the recipients of the assets immediately before, at or following the dissolution of Investpro INVESTMENTS I LLC in violation of NRS CHAPTER 112 - Uniform Fraudulent Transfer Act. When their true names and capacities of Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein.

13. The true names of Defendants DOES 11 through 15 and ROE CORPORATIONS XXI - XXX, inclusive, are unknown to Plaintiff at this time. Plaintiff sues those Defendants by such fictitious names pursuant to NRCP 10 (a). Plaintiffs are informed and believe, and based on that information and belief allege, that each of the Defendants designated as a DOE or ROE were the recipients of the assets immediately before, at or following the dissolution of TKNR in violation of NRS CHAPTER 112 - Uniform Fraudulent Transfer Act. When their true names and capacities of

Doe or Roe Defendants are ascertained Plaintiff, if appropriate, will amend his Complaint accordingly to insert the correct name and capacity herein

14. This Court has jurisdiction and authority to issue judgment in this matter per NRS 13.010.

B. TRANSACTIONS RESULTING IN THIS LAWSUIT

15. That on or about December 15, 2017 TKNR sold Plaintiff a parcel of real property with a residential rental Unit A, Unit B and Unit C on it, specifically the real property located at 2132 Houston Dr Las Vegas, NV, referred to herein as the Subject Property. The Subject Property is a residential rental income multfamily apartment.

16. Investpro was at all relevant times the property manager on behalf of INVESTPRO MANAGER LLC and/or TKNR from September 30, 2015 to December. 15, 2017, on behalf of Plaintiff from December 15, 2017 to July 30, 2018 for the Subject Property.

17. Lin is the manager of a Flipping Fund and also represents himself as the "CEO of Investpro Investment LLC & Investpro Manager LLC". The Flipping Fund is represented in promotional material as follows :

FLIPPING FUND
INVESTPRO INVESTMENTS I LLC
PRESENT BY INVESTPRO MANAGER LLC
KENNY LIN
Phone : +1 (702) 726-0000
Email : zhong.kenny@gmail.com

1. TERM : 1-3 YEARS
2. MINIMUM UNITS: $50,000 MINIMUM, $1000 PER UNIT.

3. USE OF FUND: FLIPPING RESIDENTIAL PROPERTIES IN LAS VEGAS.
4. RETURNS: 8 % PREFERRED PER ANNUL PAYS EVERY QUARTER, HEN AFTER ALL MONEY RETURNED TO INVESTORS, THE NET PROCEED SPLIT 75% TO INVESTORS AND 25 % TO MANAGER LLC.
5. WITHDRAW: NO WITHDRAW WITHIN 1ST 12 MONTH , AFTER THAT YOU CAN RESALE YOUR SHARE OR COMPANY WILL BUY IT BACK.

CLOSE OUT DATE: DEC. 31,2015

WHAT'S FLIPPING FUND?
Flipping Fund is established by Investro Investments Foundation. The fund will be investing on purchasing value increasing real estates in Las Vegas. Once reached the term, the property will be sold out. Profits will be put back into the fund for investing another property.

18. INVESTPRO INVESTMENTS I LLC is the business entity used by Lin for the Flipping Fund. Lin is the Chief Executive Officer of INVESTPRO INVESTMENTS I LLC.

19. INVESTPRO MANAGER LLC is the business entity used by Lin to present and solicit investors and funds to the Flipping Fund. INVESTPRO MANAGER LLC was also the project manager for renovation of the Subject Property as described below. Lin is the Chief Executive Officer of INVESTPRO MANAGER LLC.

20. Prior to the sale of the Subject Property, INVESTPRO MANAGER LLC performed as a general contractor without being licensed as a general contractor in that INVESTPRO MANAGER LLC identified scope of renovation, demolition, and construction work, managed the renovation, demolition, and construction work on the Subject Property from soliciting

subcontractors bids, evaluating bids from subcontractor, awarding contracts to subcontractors, monitoring subcontractor work and paying subcontractors, handypersons and unlicensed workers. INVESTPRO MANAGER LLC contracted for extensive renovation, demolition, and construction work on the Subject Property.

21. INVESTPRO MANAGER LLC was the project manager for the renovation of the Subject Property.

22. Investpro was also the real estate broker in the sale, representing both the buyer [WLAB] and the seller [TKNR].

23. TKNR and it's agent Investpro marketed and listed for sale.

24. Seller's Real Property Disclosure Form was prepared, presented and initialed by Lin on or about August 7, 2017.

25. TKNR failed to disclose one or more known condition(s) that materially affect(s) the value or use of the Subject Property in an adverse manner, as required by NRS Chapter 113, in a particular NRS 113.130.

26. TKNR and it's agent Investpro marketed and listed the Subject Property for sale.

27. Factual statements from the August 7, 2017 Seller Real Property Disclosure Form (SRPDF) are set forth in Paragraph 31 and the subsections thereof state whe the disclosures were either inadequate or false. The SRPDF states that it was prepared, presented and initialed by Kenny Lin.

28. All work on the Subject Property which is complained of herein was performed at the direction of INVESTPRO MANAGER LLC and Investpro, as TKNR's agent. Further, all work on the Subject Property which is complained of herein occurred within two years prior to the sale to Plaintiff and while the Subject Property was under TKNR's ownership and INVESTPRO MANAGER, LLC's control.

29. Since the Subject Property is a residential rental apartment, to protect

tenants and consumers, the applicable local building code requires all renovation, demolition, and construction work must be done by licensed contractors with permits and inspections to ensure compliance with the Uniform Building Code [UBC].

30. INVESTPRO MANAGER LLC is not a Nevada licensed general contractor.

31. Defendants Lin, Investpro, as TKNR's agent, TKNR, Wong and INVESTPRO MANAGER LLC, as the true owner of the Subject Property, did not disclose any and all known conditions and aspects of the property which materially affect the value or use of residential property in an adverse manner, as itemized below.

a. SRPDF stated that Electrical System had no problems or defects.

The fact is that many new electric lines were added and many old electric lines were removed by Investpro Manager LLC . The swamp coolers that were removed were supplied by 110 volt power supply lines. Investpro Manager LLC first added one 220v power supply line for one new 5 ton heat pump package unit on one roof top area for the whole building for Unit A. Unit B and Unit C.

Investro Manager, LLC then removed the one year old 5 ton heat pump packaged unit from the roof top with power supply lines and added two new 220v power supply lines for two new 2 ton heart pump package units, one each for Unit B and Unit C.

Inestpro Manager, LLC then added one new 110 volt power supply line for two window cooling units for Unit A. The electrical system load for Unit A was increased due to the installation of two new cooling units and required 100 amp service, but the electrical service was not upgraded to 100 amp service from the existing 50 amp

service. Failure to upgrade the electrical service caused the fuses to be blown out multiple times during the cooling seasons of 2018. The tenants in Unit A could not use air conditioning units in cooling seasons of 2018, causing Unit A to be uninhabitable until the Unit A electrical supply panel was upgraded to 100 amp service.

All the electrical supply line addition and removal work were performed without code required electrical load calculation, permits and inspections. To save money, minimize flipping cost, minimize flipping time, maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to do the electrical work and used low quality materials used inadequate electrical supply lines.

Further, to save money, minimize flipping cost, minimize flipping time, maximize flipping fund profits, Investpro Manager LLC used unskilled workers who did not know the UBC requirements to do the electrical work This substandard work may lead electrical lines to overheat and cause fires in the attic when tenant electrical load is high.

Further, to save money, minimize flipping cost, minimize flipping time, maximize flipping fund profits, Investpro Manager LLC used unskilled workers who did not know the UBC requirements to do the electrical work. The outlets near the water faucets in kitchens, bathrooms and laundry areas were not GFCI outlets as required by the UBC.

b. SRPDF stated that Plumbing System had no problems or defects.

The fact is that that within two years prior to the sale to Plaintiff, Investpro Manager LLC removed and plugged swamp cooler water supply lines without UBC required permits and inspections. To save

money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers who just plugged high pressure water supply lines at rooftop instead of at ground level and who did not remove the water supply lines on top of the roof, inside the attic and behind the drywall. In cold winter, the high pressure water line which was left inside the building may freeze and break the copper line and lead flooding in the whole building.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to remove and plug natural gas lines for the natural gas wall furnaces without UBC required permits and inspections.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers with little knowledge of natural gas pipe connection requirements. The unlicensed and unskilled workers used the wrong sealing materials and these sealing materials may degrade and lead to natural gas leaks and accumulation inside the drywall and the attic which may cause an explosion or fire.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to completely renovate all three bathrooms in the Subject Property without UBC required permits and inspections. Some faucets and connections behind tile walls and drywall leak and are causing moisture conditions behind tile walls and drywalls.

c. SRPDF stated that Sewer System and line had no problems or defects.

The subject property was built in 1954. Clay pipes were used at that time for sewer lines. Before the sale, within few days after tenants moved into apartment Unit B, they experienced clogged sewer line which caused the bathrooms to be flooded. The tenants called Investpro to ask them to fix the clogged pipes and address the flooding issues. After this report, Investpro asked tenants to pay to hire plumber to snake the sewer line. After tenants threatened to call the Las Vegas code enforcement office, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro used unlicensed and unskilled workers to snake the clay sewer pipes. Licensed contractors must be hired to snake sewer pipes as code required. This approach to clearing the clog may break the clay sewer pipes and cause future tree root grown into sewer lines and clogs in sewer lines.

d. SRPDF stated that Heating System had problems or defects.

No full explanation was provided, as required. Investro Manager, LLC disabled natural gas heating system without UBC required permits and inspections. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers with little knowledge about natural gas pipe connection requirements. They used the wrong sealing materials and these sealing materials may degrade and lead to a natural gas leak inside the drywall and the attic and may cause an explosion or fire.

Further, Investpro Manager LLC installed two electrical heat pump

heating systems without UBC required permits and inspections for Unit B and Unit C. The Unit A does not have an electrical heat pump heating system nor a natural gas wall furnace heating system now. Unit A has to use portable electrical heaters.

e. SRPDF stated that the Cooling System had problems or defects

No full explanation was provided, as required. Investro Manager, LLC removed old swamp cooler systems without UBC requiredpermits and inspections. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro used unlicensed and unskilled workers to disconnect water supply lines, cover swamp cooler ducting holes, and disconnect 110V electrical supply lines.

Further, as early as March of 2016, Investro Manager, LLC hired Air Supply Cooling to install one five ton new heat pump package unit with new rooftop ducting systems on one roof area to supply cooling and heating air to the whole building consisting of Unit A, Unit B and Unit C without UBC required weight load and wind load calculations, permits and inspections. The five ton heat pumps package unit was too big, too heavy and had control problems. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC also used unlicensed and unskilled workers to remove the one year old five ton heat pump package unit with ducting system without UBC required permits and inspections. All of this work was done without UBC required structural calculation, permits and inspections.

Further, in early June, 2017, Investro Manager, LLC hired The AIR TEAM to install two new two ton heat pump package units, one each for Unit B and Unit C. Invespro Manager, LLC also used unlicensed

and unskilled workers to install two window cooling units in Unit A's exterior walls. All of the above work was done without UBC required permits and inspections.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investro Manager, LLC did not replace the old, uninsulated swamp cooler ducts with new insulated HVAC ducts as the UBC required. This resulted in the heat pump package units being overloaded and damaged during cooling season because cool air was heated by uninsulated attic hot air before delivering the cooled air to the rooms. The old, uninsulated swamp cooler ducts were also rusted and leaked due to high moisture air from the bathroom vent fans and the clothes washer/dryer combination unit exhaust vents. The heat pumps would run all the time but still could not cool the rooms.

f. SRPDF stated that Smoker detector had no problems or defects

During Plaintiff's inspection at August 10, 2017 afternoon, some smoke detectors were missing.

g. SRPDF stated that no Previous or current moisture conditions and or water damage.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investro Manager, LLC used unlicensed and unskilled workers to vent high moisture bathroom fan exhaust and washer/dryer combination unit exhaust into the ceiling attic area instead of venting outside the building roof without UBC required permits and inspections. The improper ventings caused high moisture conditions in ceiling attic and water damages in ceiling and

attic. The high moisture conditions in the ceiling attic destroyed ceiling attic insulations, damaged the roof decking, damaged roof trusses and damaged roof structure supports.

To saving money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to complete renovation to all three bathrooms without UBC required permits and inspections. Some faucets and connections behind tile walls and drywall leaks and caused moisture conditions behind tile walls and drywalls.

h. SRPDF stated that there was no structure defect.

Investpro Manager LLC added one new five ton heat pump package unit with ducting systems on the one roof top area for the whole building in early March, 2016 without UBC required weight load and wind load calculation, permits and inspections. Due to the five ton heat pump package unit being too big, too heavy and having control problems to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investro Manager, LLC used unlicensed and unskilled workers to remove the one year old five ton heat pump package unit with part of the ducting system again without UBC required permits and inspections. Investpro Manager LLC added two new two ton heat pump package units on the two roof top areas for Unit B and Unit C with new ducting systems without UBC required weight load and wind loan calculation, permits and inspections.

Further, to save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to open two new window holes on

exterior walls for two window cooling units in Unit A without UBC required structure calculation, permits and inspections. This work damaged the building structure.

Further, the moisture condition behind tile walls and drywall due to faucets leaking damaged the building structure.

Further, Investpro Manager LLC's unlicensed and unskilled workers used the space between two building support columns as a duct to vent high moisture exhaust from the washer/dryer combination unit exhaust vent from Unit A without UBC required permits and inspections and this damaged the building structure.

The recent inspection of the exterior wall found multiple cracks which indicates structural problems caused by the heavy load on the roof.

i. SRPDF marked Yes and NO for construction, modification, alterations or repairs made without required state. city or county building permits.

Defendants Lin, Investpro, as TKNR's agent, TKNR, and Wong did not provide detailed explanations. All renovation, demolition, and construction work was done by Investpro Manager LLC using unlicensed, and unskilled workers without UBC required weight load and wind load calculations, permits and inspections.

j. SRPDF stated that there were not any problems with the roof.

The roof of the Subject Property was damaged by changing roof top HVAC units and ducting systems multiple times from October, 2015 to June, 2017. Investpro Manager LLC removed the existing swamp coolers from roof top and covered the swamp coolers ducting holes. Investpro Manager LLC added a five ton heat pump package unit with

a new ducting system on one roof top area in March, 2016. Investpro the removed the one year old five ton heat pump package unit with part of the ducting system from the one roof top area in June, 2017. Then Investpro Manager LLC added two two ton heat pump package units on the two roof top areas in June, 2017. The work damaged the roof of the Subject Property to such an extent that when it rains the roof leaks. All of this renovation, demolition, and construction work was done without UBC required weight load and wind load calculations, permits and inspections and this damaged the building roof structure.

k. SRPDF stated that no there were not any fungus or mold problems. To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC vented the bathroom high moisture fans and the washer/dryer combination unit exhaust vents into the ceiling and attic without venting outside of the roof. All of this renovation, demolition, and construction work was done without UBC required permits and inspections and this damaged the building structure. After the purchase of the Subject Property, Plaintiff discovered black color fungus mold was found inside ceiling and attic.

l. SRPDF stated that there were not any other conditions or aspects of the property which materially affect its value or use in an adverse manner.

i. Problems with flooring.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC

used unlicensed and unskilled workers to lay low quality cheap ceramic tiles on the loose sandy ground rather than on a strong, smooth, concrete floor base. Within few months after tenants moving into the Subject Property, mass quantities of floor ceramic tiles cracked and the floor buckled. These cracked ceramic tiles may cut tenants' toes and create a trip and fall hazard. These are code violations had to be repaired before the units could be rented to tenants. The plaintiff has to spend lot money to replace all ceramic tile floor in Unit C with vinyl tile floor.

ii. Problems with the land/foundation.

Within few months after tenants moved into the Subject Property in 2017, large quantities of floor tiles cracked and the floor buckled. This indicated that there may have foundation problems likely due to heavy loads by the new HVAC systems and the venting of moisture into the ceiling and attic. Too much weight loads on the walls caused exterior wall cracking.

iii. Problems with closet doors.

To save money, minimize flipping cost, minimize flipping time, and maximize flipping fund profits, Investpro Manager LLC used unlicensed and unskilled workers to install closet doors with poor quality for Unit C, all closet doors fell down in three months after tenant move into Unit C.

32. Plaintiff discovered the multiple defects and false or inaccurate statements, as set forth above, after purchasing the property on December 15, 2017,.

33. After selling the property to Plaintiff, TKNR filed a dissolution with the State of California in September, 2018 and it is unknown at this time to whom

TKNR disbursed its assets in the dissolution.

34. The assets distributed by TKNR as part of it's dissolution were all of TKNR's assets and were disbursed with the intent to default Plaintiff..

35. Investpro Investments I LLC filed a dissolution with the State of Nevada on January 28, 2019, after the initial Complaint was served. It is unknown at this time to whom Investpro Investments I LLC disbursed its assets in the dissolution.

36. The assets distributed by Investpro Investments I LLC as part of it's dissolution were all of Investpro Investments I LLC's assets and were disbursed with the intent to defraud Plaintiff.

FIRST CAUSE OF ACTION - RECOVERY UNDER NRS CHAPTER 113

[Defendants TKNR, Wong, and INVESTPRO MANAGER LLC]

37. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

38. Due to the false or inaccurate statements of TKNR, Wong, and INVESTPRO MANAGER LLC as the true owner of the Subject Property, and/or the failure to disclose the defects set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

39. Pursuant to NRS Chapter 113, Plaintiff is entitled to recover from TKNR, Wong and INVESTPRO MANAGER LLC treble the amount necessary to repair or replace the defective part of the property, together with court costs and reasonable attorney's fees.

40. It has been necessary for Plaintiff to retain the services of an attorney and to

incur other court costs to prosecute this action. Defendants should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

41. Due to the violation of the requirements of NRS Chapter 113 by TKNR, Wong and INVESTPRO MANAGER LLC, as set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

SECOND CAUSE OF ACTION - CONSTRUCTIVE FRAUD

[Defendants Investpro, Nickrandt and Chen]

42. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

43. Plaintiff was in a fiduciary or confidential relationship with Investpro, Nickrandt and Chen for the purchase of the Subject Property.

44. Investpro, Nickrandt and Chen's representations set forth above were deceptive or violated the confidence placed in them by Plaintiff.

45. Plaintiff reasonably relied on Investpro, Nickrandt and Chen's deceptive representations set forth above or the expected disclosures from Investpro, Nickrandt and Chen, which they did not provide.

46. Due to the constructive fraud of Investpro, Nickrandt and Chen set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

47. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants Investpro, Nickrandt and Chen should be required to pay attorneys' fees and costs

incurred by Plaintiff in this action.

THIRD CAUSE OF ACTION - COMMON LAW FRAUD

[Defendants Investpro, INVESTPRO MANAGER LLC , TKNR, Wong and Lin]

48. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

49. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin made misrepresentations of material fact regarding the Subject Property to Plaintiff, as set forth above.

50. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin had knowledge of the misrepresentations of material fact regarding the Subject Property to Plaintiff, as set forth above.

51. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin intended to defraud Plaintiff.

52. Plaintiff reasonably relied on the misrepresentations of material fact regarding the Subject Property made by Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin.

53. Due to the the misrepresentations of material fact regarding the subject property made by Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

54. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

FOURTH CAUSE OF ACTION - FRAUDULENT INDUCEMENT

[Defendants TKNR, INVESTPRO MANAGER LLC , Wong, Investpro and Lin]

55. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

57. Defendant TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin made misrepresentations of material fact regarding the Subject Property, as set forth above.

58. Defendant Wong is the alter ego of TKNR.

59. Defendants' actions constitute Fraudulent Inducement because :

(1) A false representation(s) was/were made to Plaintiff as set forth above;

(2) Defendants TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin had knowledge or belief that, as set forth above, the representations were false or they had knowledge that they had insufficient basis for making the representation;

(3) Defendants TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin intended to induce Plaintiff to complete the purchase of the Subject Property;

(4) Plaintiff justifiably relied upon the misrepresentation of TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin; and

(5) Plaintiff suffered damages resulting from such reliance.

60. Plaintiff has been damaged as a result of the fraudulent inducement of TKNR, through it's agents, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin .

62. Due to the fraudulent concealment of material fact regarding the Subject Property by

Defendants TKNR, through it's agents, Wong, Investpro, INVESTPRO

MANAGER LLC, and Lin as set forth above prior to the sale to Plaintiff, Plaintiff has been damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

63. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants TKNR, Investpro, Investpro Manager LLC, and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

FIFTH CAUSE OF ACTION : FRAUDULENT CONCEALMENT

[Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin]

64. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

65. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin concealed or suppressed material facts as set forth above.

66. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin were under a duty to disclose the concealed facts.

67. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin intentionally concealed or suppressed the concealed facts with the intention of defrauding Plaintiff.

68. Plaintiff did not know about the concealed facts and would have acted differently had they known.

69. Due to the concealment of of material facts regarding the Subject Property made by

Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin as set forth above prior to the sale to Plaintiff, Plaintiff has been

damaged in an amount in excess of Fifteen Thousand Dollars ($15,000.00), which amount will be set forth and proven at the time of trial.

70. It has been necessary for Plaintiff to retain the services of an attorney and to incur other court costs to prosecute this action. Defendants TKNR, Wong, Investpro, INVESTPRO MANAGER LLC, and Lin should be required to pay attorneys' fees and costs incurred by Plaintiff in this action.

SIXTH CAUSE OF ACTION - BREACH OF FIDUCIARY DUTY

[Defendants Investpro and Nickrandt and Chen]

71. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

72. Defendants Investpro and Nickrandt and Chen owed a fiduciary duty to the Plaintiff in acting as the real estate agent and/or broker for the Plaintiff.

73. Defendants Investpro and Nickrandt and Chen breached duties owed as a fiduciary because Defendants Investpro and Nickrandt and Chen failed to meet their duties owed to the Plaintiff, including without limitation, a duty to conduct their obligations in a reasonable and customary manner consistent with local standards, a duty to honestly inform the Plaintiff of the status and facts of the purchases and sales, and a duty to meet their obligations as agreed to in acting as a real estate agent and/or broker.

74. As a direct and proximate result of Plaintiff's reliance upon Defendants Investpro and Nickrandt and Chen in acting as their fiduciary, Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

75. Plaintiff has further been required to retain the services of an attorney to

prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

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SEVENTH CAUSE OF ACTION - RICO

[Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC]

76. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

77. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC engaged in criminal enterprise under the guise of a real estate investment fund, the Flipping Fund, to commit fraud on Plaintiff and at least one other individual by engaging in criminal activity by contracting and managing renovation projects for the Subject Property, and other properties, without a license.

78. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC engaged in criminal enterprise under the guise of a real estate investment fund, the Flipping Fund, to commit fraud on Plaintiff and at least one other individual by engaging in criminal activity by soliciting money and running the Flipping Fund without a federal license from the Security and Exchange Commission or a state license from the state of Nevada.

79. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC used the proceeds of the above described activity to purchase assets including, but not limited to, membership interest in TKNR.

80. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO

INVESTMENTS I LLC used the proceeds of the above described activity to pay Flipping Fund investors a promised 23.69% compound rate.

81. Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC used the proceeds of the above described activity to generate sales commissions for Investpro.

82. As a direct and proximate result of the actions of Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC, Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

83. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

EIGHTH CAUSE OF ACTION - DAMAGES UNDER NRS 645.257(1)

[Defendant Chen, Lin, Investpro and Nickrandt]

84. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

85. At all relevant times Investpro was the real estate broker for the purchase and sale of the Subject Property.

86. Investpro represented both the buyer and the seller in the transaction.

87. At all relevant times Chen was the employee or agent of Investpro.

88. At all relevant times Lin was the employee or agent of Investpro.

89. At all relevant times Nickrandt was the licensee of Investpro.

90. NRS 645.252(1)(a) imposes a duty on a “licensee acting as agent in real estate transaction” to disclose to Plaintiff “Any material and relevant facts,

data or information which the licensee knows, or which by the exercise of reasonable care and diligence should have known, relating to the property which is the subject of the transaction."

91. The facts of the renovation project on the Subject Property set forth in Paragraph 31 were material and relevant facts, data or information which Chen knew, or which by the exercise of reasonable care and diligence should have known.

92. Chen had an obligation under NRS 645.252(1)(a) to disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31.

93. The facts of the renovation project on the Subject Property set forth in Paragraph 31 were material and relevant facts, data or information which Lin knew, or which by the exercise of reasonable care and diligence should have known.

94. Lin had an obligation under NRS 645.252(1)(a) to disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31.

95. The facts of the renovation project on the Subject Property set forth in Paragraph 31 were material and relevant facts, data or information which Nickrandt knew, or which by the exercise of reasonable care and diligence should have known.

96. Nickrandt had an obligation under NRS 645.252(1)(a) to disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31.

97. Chen did not disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31 to Plaintiff.

98. Lin did not disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31 to Plaintiff.

99. Nickrandt did not disclose the material facts of the renovation project on the Subject Property as set forth in Paragraph 31 to Plaintiff.

100. Plaintiff seeks judgment for actual damages against Chen pursant to NRS 645.257(1).

101. Plaintiff seeks judgment for actual damages against Lin pursant to NRS 645.257(1).

102. Plaintiff seeks judgment for actual damages against Nickrandt pursant to NRS 645.257(1).

NINTH CAUSE OF ACTION - FAILURE TO SUPERVISE, INADEQUATE TRAINING AND EDUCATION

[Defendant Investpro, Zhang, and Nickrandt]

103. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

104. At all relevant times Lin and Chen were the employees or agents of Investpro.

Nickrandt is the licensee of Investpro and Zhang is a manager of Investpro.

105. Investpro, Zhang, and Nickrandt failed to supervise their employees or agents, Lin and Chen.

106. Investpro, Zhang, and Nickrandt failed to adequately train their employees or agents, Lin and Chen to ensure that they complied with the law.

107. Investpro, Zhang, and Nickrandt failed to adequately educate their employees or agents, Lin and Chen to ensure that they complied with the law.

108. As a direct and proximate result of the actions of Defendants Investpro, Zhang, and Nickrandt failure to supervise, adequately train or adequately

educate their employees or agents, Lin and Chen Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

109. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

TENTH CAUSE OF ACTION : FRAUDULENT CONVEYANCE

[As to TKNR, Doe Defendants 6 - 10 and Roe Defendants XI - XX]

110. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

111. TKNR dissolved and transferred all of its assets to Doe Defendants 6 - 10 and/or Roe Defendants XI - XX

113. TKNR transferred all of it's assets to Doe Defendants 6 - 10 and Roe Defendants XI - XX

(a) With actual intent to hinder, delay or defraud Plaintiff; or

(b) Without receiving a reasonably equivalent value in exchange for the transfer or obligation, and TKNR:

(1) Was engaged or was about to engage in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction; or

(2) Intended to incur, or believed or reasonably should have believed that the TKNR would incur, debts beyond its ability to pay as they became due.

114. Due to the actions of TKNR described above, Plaintiff seeks a declaratory

order attaching any judgment against TKNR to Doe Defendants 6 - 10 and/or Roe Defendants XI - XX.

ELEVENTH CAUSE OF ACTION : FRAUDULENT CONVEYANCE

[As to INVESTPRO INVESTMENTS I LLC, Doe Defendants 10 - 15 and Roe Defendants XXI - XXX]

115. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

116. Investpro Investments I LLC dissolved and transferred all of its assets to Doe Defendants 11 - 15 and/or Roe Defendants XXI - XXX

117. Investpro Investments I LLC transferred all of it's assets to Doe Defendants 11-15 and Roe Defendants XXI -XXX

(a) With actual intent to hinder, delay or defraud Plaintiff; or

(b) Without receiving a reasonably equivalent value in exchange for the transfer or obligation, to INVESTPRO INVESTMENTS I LLC :

(1) Was engaged or was about to engage in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction; or

(2) Intended to incur, or believed or reasonably should have believed that INVESTPRO INVESTMENTS I LLC would incur, debts beyond its ability to pay as they became due.

118. Due to the actions of INVESTPRO INVESTMENTS I LLC described above, Plaintiff seeks a declaratory order attaching any judgment against INVESTPRO INVESTMENTS I LLC to Doe Defendants 11-15 and/or Roe Defendants XXI - XXX.

TWELVFTH CAUSE OF ACTION : CIVIL CONSPIRACY

[As to Defendant MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC]

119. Plaintiff realleges and incorporates herein all of the allegations previously made in all previous paragraphs as though fully set forth herein.

120. All, or some combination of, Defendants MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC engaged in concerted action.

121. The concerted action engaged in by all, or some combination of, Defendants MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC was intended to accomplish an unlawful objective for the purpose of harming another.

122. Plaintiff was damaged by the act or acts of Defendants MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC and Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

123. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

THIRTEENTH CAUSE OF ACTION - BREACH OF CONTRACT

[As to Defendant Investpro]

124. Plaintiff realleges and incorporates herein all of the allegations previously

made in all previous paragraphs as though fully set forth herein.

125. At all relevant times Investpro was the real estate broker for the purchase and sale of the Subject Property.

126. By written contract, Investpro represented both the buyer and the seller in the transaction.

127. Pursuant to NRS 645.252(1)(a) Investpro was required to disclose to Plaintiff “Any material and relevant facts, data or information which the licensee knows, or which by the exercise of reasonable care and diligence should have known, relating to the property which is the subject of the transaction.”

128. Investpro breached it’s contractual duties as it failed to disclose material and relevant facts, data or information which Investrpo knew, or which by the exercise of reasonable care and diligence should have known, relating to the Subject Property.

129. Plaintiff was damaged by the act or acts of Investpro and Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

130. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

FOURTEENTH CAUSE OF ACTION - BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

[As to Defendant Investpro]

131. Plaintiff incorporates all previous paragraphs as though fully set forth

herein.

132. Every contract in Nevada has an implied covenant of good faith and fair dealing which essentially forbids arbitrary, unfair acts by one party that disadvantage the other.

133. As set forth Investpro breached the implied covenant of good faith and fair dealing.

134. Plaintiff was damaged by the act or acts of Investpro and Plaintiff has suffered and will suffer general and consequential damages in excess of ten thousand dollars ($15,000), exclusive of costs and interest, in an amount to be determined according to proof adduced at trial.

135. Plaintiff has further been required to retain the services of an attorney to prosecute this action on its behalf, and as such are entitled to attorney's fees and costs incurred in prosecuting this matter.

FIFTEENTH CAUSE OF ACTION : ABUSE OF PROCESS

[As to all Defendants]

136. Plaintiff incorporates all previous paragraphs as though fully set forth herein.

137. Following service of the initial Complaint, Defendants willfully embarked on a pattern and strategy of deception and delay with an ulterior purpose other than resolving this legal dispute and used the legal process to implement this strategy, all of which is not proper in the regular conduct of this legal proceeding, with specific examples being set forth below.

a. Stating in their Answer filed March 19, 2019 that they “are without knowledge or information sufficient to form a belief as to the truth of the allegation” that the assets distributed by Investpro Investments I

LLC as part of it's dissolution in January, 2019 [after the Complaint was served] were all of Investpro Investments I LLC's assets. Defendants, including state in their Amended Answer filed ____, 2020 the same baseless statement about lack of knowledge or information about Investpro Investments I LLC. In fact, their Amended Answer filed ____ doesn't even have an answer filed by Investpro Investments I LLC.

b. Failing to provide ANY disclosure or discovery for Investpro Investments I LLC

c. Failing to provide ANY disclosure or discovery for INVESTPRO MANAGER LLC.

d. Filing a frivolous Motion for Summary Judgment on January 7, 2019 before discovery had even commenced.

e. Filing a Counterclaim for Abuse of Process over twenty months after the Amended Complaint.

f. Filing a Third-Party Complaint against a mechanical The Air Team, LLC d/b/a the Air Team Heating and Cooling, a Nevada Limited Liability Company over 23 months after attaching the invoice to their frivolous Motion for Summary Judgment filed on January 7, 2019.

g. Filing a Motion to Enlarge Discovery Deadlines on October 15, 2020, fifteen days before the close of discovery, when discovery deadlines had already been extended on May 28, 2020 due to the corona virus situation. Defendants' Motion to Enlarge Discovery Deadlines on October 15, 2020 was filed without a meet and confer conference in violation of EDCR 2.34(d), was filed later than 21 days before the discovery cut-off date in violation of EDCR 2.35(a), and was filed directly to the District Court Judge instead of "to the Discovery Commissioner in strict accordance with EDCR 2.35" as required by

the trial order filed June 26, 2020

h. Failing to disclose a rebuttal expert within the deadline.

i. Repeatedly falsely stating, while knowing of the falsity, that Plaintiff did not inspect the Subject Property, knowing that Plaintiff had inspected the Subject Property and had made demands for repairs.

j. Asserting that the opinion of Plaintiff's expert witness, Amin Sani, create a basis for Abuse of Process when Mr. Sani was (1) timely disclosed as Plaintiff's expert witness in compliance with all legal rules and procedures and (2) is solely expressing an honest opinion with his scope of expertise.

k. Defendants have failed to disclose insurance coverage, as required by NRCP 16.1(a)(1)(D).

l Defendants abuse of the legal system is ongoing and because of the ongoing nature of Defendants' action, Plaintiff have will seek leave to amend the complaint to add any additional actions taken by Defendants after they occur.

138. Defendants engaged in the above identified actions within this wsuit for (1) an ulterior purpose other than resolving a legal dispute, and (2) a willful act in the use of the legal process not proper in the regular conduct of the proceeding. Posadas v. City of Reno, 109 Nev. 448, 452, 851 P.2d 438, 441 42 (1993).

139. The delay tactics, repeated knowing false statements, and questionable discovery tactics by Defendants is abuse of process.

140. The use of false, misleading statements about Plaintiff's "expert" is abuse of process.

141. Stating that "suing the Property Manager / Broker agents despite the clear language in the RPA related to both liability and limitation of damages is abuse of process" when (1) the allegations against Defendants have

ALREADY been the subject of Defendants' Motion for Summary Judgment, which was denied and (2) the allegations against the Property Manager / Broker have been clearly set forth is abuse of process.

142. Additional areas of abuse of process have not been yet obtained byway of discovery and, additionally, are ongoing. When additional information of evidence of Defendants' abuse of process is obtained, Defendants will disclose such information accordingly.

143. In order to prosecute this action, Plaintiff had to retain attorneys to represent it, and it is entitled to fair and reasonable attorneys' fees associated with protecting its rights.costs incurred as foreseeable damages arising from tortious conduct of abuse of process; as such, these fees are considered special damages and must be pleaded as special damages pursuant to Nevada Rule of Civil Procedure 9(g). International Indus. v. United Mtg. Co., 96 Nev. 150, 606 P.2d 163 (1980) (failure to plead damages precluded recovery); City of Las Vegas v. Cragin Industries, 86 Nev. 933, 478 P.2d 585 (1970) (fees not properly pleaded in the complaint); Brown v. Jones, 5 Nev. 374 (1870) (complaint must allege with distinctness fees resulting only from dissolution of injunction). Plaintiff specially pleads for attorneys' fees to meet the requirements set forth by the Nevada Supreme Court. Young v. Nevada Title Co., 103 Nev. 436, 438, 744 P.2d 902, 903 (1987). The attorneys' fees are the natural and proximate consequence of the injurious conduct specified herein. Peterson v. Wiesner, 62 Nev. 184, 146 P.2d 789 (1944) (failure to distinguish fees incurred in wrongful attachment action from fees incurred in collateral criminal case resulted in denial of fees as damages). It has been necessary for Plaintiff to retain the services of an attorney to prosecute this action, and Plaintiff should therefore be entitled to an award of reasonable attorney's fees and costs.

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

1. As to Defendant TKNR, Wong and INVESTPRO MANAGER LLC, pursuant to NRS 113.150, judgment jointly and severally for treble the amount necessary to repair or replace the defective part of the Subject Property, which amount is in excess of Fifteen Thousand Dollars ($15,000), plus court costs and reasonable attorney's fees;
2. As to Defendants Investpro, Nickrandt and Chen, judgment jointly and severally for compensatory damages in an amount in excess of Fifteen Thousand Dollars ($ 15,000.00) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and
3. As to Defendants Investpro, INVESTPRO MANAGER LLC, TKNR, Wong and Lin, judgment jointly and severally for compensatory damages in an amount in excess of Fifteen Thousand Dollars ($ 15,000.00) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and
4. As to Defendants Lin, Cheng, INVESTPRO MANAGER LLC and INVESTPRO INVESTMENTS I LLC, pursuant to NRS 204.470, judgment jointly and severally for treble Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000), plus attorney's fees in the trial and appellate courts and costs of investigation and litigation reasonably incurred; and
5. As to Defendant Chen, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and
6. As to Defendant Lin, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

7. As to Defendant Investpro, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

8. As to Defendant Nickrandt, pursuant to NRS 645.257(1) judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

9. As to Defendants Investpro, Zhang, and Nickrandt, judgment jointly and severally Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

10. For a declaratory order attaching any judgment against TKNR to Doe Defendants 6 - 10 and/or Roe Defendants XI - XX; and

11. For a declaratory order attaching any judgment against INVESTPRO INVESTMENTS I LLC to Doe Defendants 11-15 and/or Roe Defendants XXI - XXX; and

12. As to Defendant MAN CHAU CHENG, Lin, Investpro, Wong, TKNR, INVESTPRO INVESTMENTS I LLC and INVESTPRO MANAGER LLC, judgment jointly and severally for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and

13. As to Defendant Investpro, judgment for Plaintiff's actual damages, which amount is in excess of Fifteen Thousand Dollars ($15,000); and

14. As to all Defendants, judgment jointly and severally, for it's attorney fees and court costs due to Defendants' abuse of process, which amount is in excess of Fifteen Thousand Dollars ($15,000) plus for exemplary and/or punitive damages in the amount of three times the compensatory damages awarded; and

15. For such other and further relief as the Court may deem just and proper

/s/ Benjamin B. Childs
_____
BENJAMIN B. CHILDS, ESQ.
Nevada Bar No. 3946
Attorney for Plaintiff

CERTIFICATE OF SERVICE

This SECOND AMENDED COMPLAINT, with Exhibits, was served through the Odessey File and Serve system to opposing counsel at filing. Electronic service is in lieu of mailing.

/s/ Benjamin B. Childs, Sr.
_____
BENJAMIN B. CHILDS, Sr.ESQ.
NEVADA BAR # 3946

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Attorney for Defendants

IN THE EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC,

Plaintiff,

vs.

TKNR INC., a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual, and INVESTPRO INVESTMENTS LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company and JOYCE A. NICKRANDT, an individual and Does 1 through 15 and Roe Corporation I - XXX,

Defendants.

CASE NO.: A-18-785917-C
DEPT. NO.: XIV

HEARING REQUESTED

DEFENDANTS' MOTION FOR SUMMARY JUDGMENT, OR IN THE ALTERNATIVE, PARTIAL SUMMARY JUDGMENT

Date of Hearing:
Time of Hearing:

Defendants TKNR INC. ("TKNR"), CHI ON WONG ("WONG"), KENNY ZHONG LIN ("LIN"), LIWE HELEN CHEN ("CHEN"), YAN QIU ZHANG ("ZHANG"), INVESTPRO LLC ("INVESTPRO"), MAN CHAU CHENG ("CHENG"), JOYCE A. NICKRANDT ("NICKRANDT"), INVESTPRO INVESTMENTS, LLC ("Investments"), and INVESTPRO MANAGER LLC (hereinafter collectively referred to as the "Defendants"), by and through their counsel of record, MICHAEL B. LEE, P.C., hereby files this Motion for Summary Judgment, or in the Alternative, Partial Summary Judgment ("Motion"). This Motion is made on the following

MICHAEL B. LEE, P.C.
1820 E. SAHARA AVENUE, SUITE 110
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Memorandum of Points and Authorities, any affidavits, declarations or exhibits attached hereto, and any oral arguments accepted at the time of the hearing of this matter. Plaintiff W L A B INVESTMENT, LLC is hereinafter referred to as "Plaintiff" or "WLAB".

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

A. Overview

Summary Judgment is appropriate as a matter of law. The overwhelming case law in Nevada applies the doctrine of caveat emptor on buyers of real property. Notably, the Property was 63 years old at the time of purchase and being used as a rental property. Nevertheless, Plaintiff waived her inspections twice as it relates to the Property, defined below, as she cancelled her original purchase agreement and entered into a new one. Despite the clear statements that she needed to get an inspection done, and clear disclosures related to the conditions of the Property, Plaintiff still waived her inspection and forged ahead with the purchase. The entire crux of Plaintiff's action is premised that that there was alleged work done without permits, but TKNR disclosed that it the Seller's Disclosures. Additionally, permit work is publicly available on the City of Las Vegas' website, which illustrates that Plaintiff should have known about this issue at the time of purchase, absolving Defendants of any liability.

Moreover, alleged conditions identified by Plaintiff's alleged expert were all open and obvious, and would have been uncovered by an inspection. Plaintiff's alleged expert never did any destructive testing, so an inspector would have had the same opportunity to observe everything that he did. Importantly, Plaintiff is a sophisticated commercial buyer who has purchased and renovated several similar properties, so it has a higher burden to demonstrate why it waived inspections. As Defendants disclosed all conditions known to them at the time of the sale, Nevada law does not permit this action to continue. This justifies Summary Judgment on all of Plaintiff's claims, including the frivolous claims for RICO, fraudulent conveyance, and abuse of process.

Finally, sanctions are also justified against Plaintiff. Astonishingly, Plaintiff is claiming $16.25 Million in damages related to the purchase of the Property (original purchase price -

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$200,000). Incredibly, the original demand by Plaintiff for settlement was $10,000. Regardless of whether Plaintiff or Plaintiff's counsel, who have charged Plaintiff approximately $64,000 for this matter so far, are responsible for the violation of Rule 11 in prosecuting this frivolous claim, Rule 11 permits sanctions against both, which should include an award of attorneys' fees and costs to Defendants.

B. Statement of Facts

1. *First Residential Purchase Agreement and Waiver of Inspections, Contractual Broker Limitations*

The Property (defining as 2132 Houston Drive, Las Vegas, NV 89104) was originally constructed in 1954. MLS Listing attached as **Exhibit A**. On or about August 11, 2017, Marie Zhu ("Zhu"), the original purchaser, executed a residential purchase agreement ("RPA") for the Property. Residential Purchase Agreement attached as **Exhibit B** (Plaintiff's Disclosure) 26 of 166. At all times relevant, Ms. Zhu and Frank Miao ("Miao"), the managing member of Plaintiff, were sophisticated buyers related to "property management, property acquisition, and property maintenance." ROG Response (excerpt) at 3:3-4 attached as **Exhibit N.** The purchase price for the property was $200,000. *Id.* Through the RPA, Ms. Zhu waived her due diligence, although she had a right to conduct inspections:

> During such Period, Buyer shall have the right to conduct, non-invasive/non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals.

Id. at 28 of 166 at 7(A) lines 36-39.

Ms. Zhu did not cancel the contract related to any issues with the Property. *Id.* Under Paragraph 7(C) of the RPA, Ms. Zhu waived the Due Diligence condition. *Id.* Under Paragraph 7(D) of the RPA, it provided:

> *It is strongly recommended that Buyer retain licensed Nevada professionals to conduct inspections*. If any inspection is not completed and requested repairs are not delivered to Seller within the Due Diligence Period, Buyer is deemed to have waived the right to that inspection and Seller's liability for the cost of all

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> repairs that inspection would have reasonably identified had it been conducted, except as otherwise provided by law.

Id. Ms. Zhu waived any liability of Defendants for the cost of all repairs that inspection would have reasonably identified had it been conducted. *Id.* Ms. Zhu also waived the energy audit, pest inspection, roof inspection, septic lid removal inspection, mechanical inspection, soil inspection, and structural inspection. *Id.*

Under Paragraph 7(F), it was Ms. Zhu's responsibility to inspect the Property sufficiently as to satisfy her use. *Id.* Additionally, Wong, Lin, Chen, Zhang, Cheng, and Nickrandt (collectively, "Brokers" or "Broker Defendants") had "no responsibility to assist in the payment of any repair, correction or deferred maintenance on the Property which may have been revealed by the above inspections, agreed upon by the Buyer and Seller or requested by one party." *Id*.

On August 2, 2017, TKNR submitted its Seller Disclosures timely indicating all known conditions of the Subject Property. Plaintiff's Disclosure Page 36 of 166 attached as **Exhibit C**. In fact, TKNR disclosed that "3 units has (sic) brand new AC installed within 3 months," and further that the "owner never resided in the property and never visited the property." *Id.* at Page 38. Plaintiff was also aware that the minor renovations, such as painting, was conducted by the Seller's "handyman" as disclosed in the Seller's Disclosures. *Id.* Seller also disclosed that it had done construction, modification, alterations, or repairs without permits. *Id*. at 37. Despite these disclosures, Plaintiff chose not to inspect the Subject Property, request additional information and/or conduct any reasonable inquires. *Id.*

2. *Second Residential Purchase Agreement and Waiver of Inspections, Contractual Broker Limitations*

On or before December 5, 2017, Ms. Zhu had issues related to the financing for the Property because of an appraisal. Chen-Ms. Zhu email attached as **Exhibit D**. As such, Ms. Chen confirmed that Ms. Zhu would do a new purchase agreement, and would agree to pay the difference in an appraisal with a lower value than the purchase price, and waive inspections:

> Please note that seller agree the rest of terms and request to add the below term on the contract:
> "Buyer agree to pay the difference in cash if appraisal come in

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lower than purchase price, not to exceed purchase price of $200k"
I just send you the docs, please review and sign if you are agree.
Thank you!
(Per buyer's request will waive licensed home inspector to do the home inspection)

Id. (emphasis added).

On the same day, Ms. Zhu and TKNR agreed to Addendum No. 1 to cancel the RPA dated August 11, 2017, Addendum No. 1 attached as **Exhibit E**, and entered into a new Residential Purchase Agreement dated September 5, 2017 ("2nd RPA"). 2nd RPA attached as **Exhibit F**. As before, the overall purchase price for the Property was $200,000, but Ms. Zhu changed the contingency for the loan to $150,000 with earnest money deposit of $500 and a balance of $49,500 owed at the close of escrow ("COE" or "Closing"). *Id*. at DEF4000355. The COE was set for September 22, 2017. *Id*. at DEF4000357 at ¶ 5C.

Notably, although Ms. Zhu had not initialed the "Failure to Cancel or Resolve Objections" provision in the RPA, Ex. B. at Page 29 at ¶ 7(c), she initialed the corresponding provision in the 2nd RPA. Ex. F at DEF4000358 at ¶ 7(c). This was consistent with Ms. Zhu's instructions to Ms. Chen. Ex. D. This is the second time that Ms. Zhu waived inspections for the Property despite the language in the 2nd RPA that strongly advised to get an inspection done.

As noted, Ms. Zhu waived any inspections related to the purchase of the Property in the 2nd RPA. *Id*. at DEF4000357 at ¶ 7. Although Ms. Zhu had actual knowledge of the Seller's Disclosures, Ex. C, from August 11, 2017, and the Parties agreed to extend the COE to January 5, 2018, Ex. F at Addendum 1 at DEF4000365, Ms. Zhu still never did any inspections. Instead, she put down an additional $60,000 as a non-refundable deposit to the TNKR. *Id*. Moreover, she also agreed to pay rent in the amount of $650 per month for one of the units, and to also pay the property manager $800 for the tenant placement fee. *Id*. Through Addendum 2 to the 2nd RPA, Ms. Zhu later changed the purchaser to Plaintiff. *Id*. at DEF4000366.

3. *No Reliance on Broker Agents*

As to the Brokers, Ms. Zhu agreed that she was not relying upon any representations made by Brokers or Broker's agent. *Id.* at DEF4000361 ¶ 22. Ms. Zhu agreed to purchase the Property AS-IS, WHERE-IS, without any representations or warranties. *Id.* Ms. Zhu agreed to

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satisfy herself, as to the condition of the Property, prior to the close of escrow. *Id.* Ms. Zhu waived all claims against Brokers or their agents for (a) defects in the Property . . . (h) factors related to Ms. Zhu's failure to conduct walk-throughs or inspections. *Id.* Ms. Zhu assumed full responsibility and agreed to conduct such tests, walk-throughs, inspections and research, as she deemed necessary. *Id.* In any event, Broker's liability was limited, under any and all circumstances, to the amount of that Broker's commission/fee received in the transaction. *Id.*

4. *Inspection Would Have Revealed Alleged Conditions*

On November 17, 2020, Defendants' expert, Neil D. Opfer, an Associate Professor of Construction Management at UNLV and overqualified expert, conducted an inspection of the Property. Opfer Report attached as **Exhibit G**. At that time, while he only had interior access to one of the three units due to the failure of Plaintiff to accommodate the request for the inspection, he did a visual inspection of all the areas specified in Plaintiff's expert's report. *Id*. Moreover, he also found pictures of the Property from 2017 that depicted the condition of the Property prior to August 11, 2017. *Id*. at DEF5000368. While Professor Opfer illustrated the dubious findings by Plaintiff's expert with citations showing the actual misstatements of the building code requirements as it relates to permits, he noted that TNKR did disclose that it did the work without permits through its disclosures. *Id*. at DEF5000371.

As to the alleged issues, Professor Opfer noted that the alleged conditions identified by Plaintiff's alleged expert were open and obvious:

> [n]ote that the Plaintiff could have hired an inspector or contractor to evaluate this real-estate purchase beforehand but did not. Items complained about in the Sani Report were open and obvious at the roof area, attic area, and on the exterior and interior areas of the Property.

Ex. G at DEF5000372.

Professor Opfer also noted that Plaintiff's expert did not do any destructive testing, so the same alleged conditions that the alleged expert noted, would have been made by an inspector at the time of the purchase. *Id*. at DEF5000372-373. Similarly, he later noted:

> it is the fault of the Plaintiffs for not conducting requisite inspections of the Property prior to its purchase. Since this issue is apparently open and obvious as per the Sani Report, it would have

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been open and obvious as well during a pre-purchase inspection.

Id. at DEF5000380. Moreover, he also noted that Plaintiff's alleged expert did "not recognize prior conditions in existence before any work took place by the Defendants." *Id*. at DEF5000376.

As to the open and obvious nature of the alleged issues, Professor Opfer noted the following:

1. the photographs from 2017 showed extensive cracking to the stucco and slab to the Property prior to any work by Defendants and/or the licensed contractor it hired to install the HVAC. *Id*.

2. the alleged attic issues could have been inspected at the time of the purchase. *Id*. at DEF5000378

3. "any deficient electrical work related to this 220-volt service situation could have been readily ascertained by an inspection at the time of purchase by the Plaintiff". *Id*. at DEF5000379

4. the alleged HVAC issues were open and obvious. *Id*. at DEF5000381

5. "the conditions complained about as to venting and ducting were present at the Property prior to Defendants owning the Property". *Id*. at DEF5000388,

6. Plaintiff could have conducted an online search related to the permits or lack of permits for the Property. *Id*. at DEF5000389.

7. The basis of the Sani Estimate is nonsensical in the first place and there is nothing seen from this Sani Report that was not present at the time of sale of the Triplex Property. There were cracks in the stucco system and concrete slab system existing in 2017. Roof venting/duct venting had not been changed by Defendants and was existing in 2017 and could have been inspected by Plaintiff. *Id*. at DEF5000391.

8. Any deficiencies with this electrical installation were open, obvious and could have been inspected prior to purchase as with all other items with this Triplex Property. Any cracks such as wall or floor cracks subsequent to the purchase would obviously be new but again this occurs even on new homes across the Las Vegas Valley and elsewhere. *Id*. at DEF5000392.

Professor Opfer also noted that it was well known at the time of the purchase that the Property was a 63 year old rental property that was subject to potential renter abuse:

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> Rental properties experience more-severe-service requirements due to many factors often including a lack of knowledge in order to care for a Property on the part of tenants along with often an uncaring attitude as well.

Id. at DEF5000379.

C. Statement of Procedure

On November 23, 2020, Plaintiff filed its second amended complaint ("SAC"). In large part, the SAC completely failed to acknowledge the waivers by Ms. Zhu related to the inspection of the Property and/or the open and obvious nature of the alleged defects in the then-63 year old Property at the time of purchase. That said, the SAC alleges fifteen causes of action: (1) Recovery Under NRS Chapter 113 [Defendants TKNR, Wong, and Investpro Manager LLC]; (2) Constructive Fraud [Defendants Investpro, Nickrandt, and Chen]; (3) Common Law Fraud [Defendants Investpro, Investpro Manager LLC , TKNR, Wong and Lin]; (4) Fraudulent Inducement [Defendants TKNR, Investpro Manager LLC , Wong, Investpro and Lin]; (5) Fraudulent Concealment [Defendants TKNR, Wong, Investpro, Investpro Manager LLC, and Lin]; (6) Breach Of Fiduciary Duty [Defendants Investpro and Nickrandt and Chen]; (7) RICO [Defendants Lin, Cheng, Investpro Manager LLC and Investpro Investments I LLC]; (8) Damages Under NRS 645.257(1) [Defendant Chen, Lin, Investpro and Nickrandt]; (9) Failure To Supervise, Inadequate training and Education [Defendant Investpro, Zhang, and Nickrandt]; (10) Fraudulent Conveyance [TKNR]; (11) Fraudulent Conveyance [Investpro Investments I LLC]; (12) Civil Conspiracy [As To Defendant Man Chau Cheng, Lin, Investpro, Wong, TKNR, Investpro Investments I LLC and Investpro Manager LLC]; (13) Breach Of Contract [As To Defendant Investpro]; (14) Breach Of Implied Covenant of Good Faith and Fair Dealing [As To Defendant Investpro]; and (15) Abuse of Process [As To All Defendants].

II. DISCUSSION

The following Discussion is organized into six Parts. Part A sets forth the legal standards for summary judgment and real estate disclosures. Part B provides the supporting facts and application of the law to illustrate that the waiver of inspections is fatal to Plaintiff's case as a matter of law. In four subparts, it provides an analysis of (1) the disclosures by TKNR, (2) the

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waiver of inspections, (3) the alleged deficiencies were open and obvious, and (4) Defendants did not know about any of those conditions. Part C asserts Nevada law does not permit any claims against the Broker Defendants. Part D, in four parts, specifies the lack of merit of the ancillary claims for (1) RICO, (2) Fraudulent Conveyance, (3) Civil Conspiracy, and (4) Abuse of Process. Part E, in the alternatively, requests partial summary judgment of the uncontested facts and law if Summary Judgment is not awarded. Finally, Part F requests Rule 11 sanctions.

A. Legal Standards

1. *Summary Judgment*

Summary judgment is appropriate when the pleadings, depositions, answers to interrogatories, admissions, and affidavits, if any, that are properly before the Court demonstrate that no genuine issue of material fact exist, and the moving party is entitled to judgment as a matter of law. *Pegasus v. Reno Newspapers, Inc.*, 118 Nev. 706, 713, 57 P.3d 82, 87 (2002). Substantive law controls whether factual disputes are material and will preclude summary judgment; other factual disputes are irrelevant. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 106 S. Ct. 2505, 91 L.Ed.2d 202 (1986). A genuine issue of material fact is one where the evidence is such that a reasonable jury could return a verdict for the non-moving party. *Valley Bank v. Marble*, 105 Nev. 366, 367, 775 P.2d 1278, 1282 (1989).

The Nevada Supreme Court has held that the non-moving party may not defeat a motion for summary judgment by relying "on gossamer threads of whimsy, speculation and conjecture." *Wood v. Safeway*, 121 Nev. 724, 732, 121 P.3d 1026, 1031 (2005). The Nevada Supreme Court has also made it abundantly clear when a motion for summary judgment is made and supported as required by Nevada Rule of Civil Procedure 56, the non-moving party must not rest upon general allegations and conclusions, but must by affidavit or otherwise set forth specific facts demonstrating the existence of a genuine factual issue. *Id.*

Under Nevada Rule of Civil Procedure 56(a), a party may move for summary judgment, or partial summary judgment. "The court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." The court may rely upon the admissible evidence cited in the moving papers

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and may also consider other materials in the record as well. *Id*. at 56(c). "If the court does not grant all the relief requested by the motion, it may enter an order stating any material fact — including an item of damages or other relief — that is not genuinely in dispute and treating the fact as established in the case." *Id*. at 56(g).

The pleadings and proof offered in a Motion for Summary Judgment are construed in the light most favorable to the non-moving party. *Hoopes v. Hammargren*, 102 Nev. 425, 429, 725 P.2d 238, 241 (1986). However, the non-moving party still "bears the burden to 'do more than simply show that there is some metaphysical doubt' as to the operative facts in order to avoid summary judgment being entered." *Wood*, 121 Nev. at 732, 121 P.3d at 1031. "To successfully defend against a summary judgment motion, 'the nonmoving party must transcend the pleadings and, by affidavit or other admissible evidence, introduce specific facts that show a genuine issue of material fact.'" *Torrealba v. Kesmetis*, 178 P.3d 716, 720 (Nev. 2008) (quoting *Cuzze v. Univ. & Cmty. Coll. Sys. of Nev.*, 172 P.3d 131, 134 (Nev. 2007).

The non-moving party bears the burden to set forth specific facts demonstrating the existence of a "genuine" issue for trial or have summary judgment entered against him. *Collins v. Union Federal Savings & Loan,* 99 Nev. 284, 294, 662 P.2d 610, 618-619 (1983). When there is no genuine issue of material fact and the non-moving party provides no admissible evidence to the contrary, summary judgment is "mandated." *Celotex Corp. v. Catrett*, 477 US 317, 322 (1986). When a motion for summary judgment is made and supported, an adversary party who does not set forth specific facts showing a genuine issue to be resolved at trial may have a summary judgment entered against him. *Collins v. Union Federal Sav. & Loan Ass'n*, 99 Nev. 284, 294, 662 P.2d 610, 616 (1983) (citing *Van Cleave v. Kietz-Mill Minit Mart*, 97 Nev. 414, 633 P.2d 1220 (1981); *Bird v. Casa Royale West*, 97 Nev. 67, 624 P.2d 17 (1981)).

2. *Real Estate Disclosures*

"Under NRS Chapter 113, residential property sellers are required to disclose any defects to buyers within a specified time before the property is conveyed." *Nelson v. Heer*, 163 P.3d 420, 425 (Nev. 2007) (citing NRS 113.140(1)). "NRS 113.140(1), however, provides that a seller is not required to 'disclose a defect in residential property of which [she] is not aware.' A

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'defect' is defined as "a condition that materially affects the value or use of residential property in an adverse manner." *Id*. (citing NRS 113.100(1)). The Nevada Supreme Court clarified that:

> [a]scribing to the term "aware" its plain meaning, we determine that the seller of residential real property does not have a duty to disclose a defect or condition that "materially affects the value or use of residential property in an adverse manner," if the seller does not realize, perceive, or have knowledge of that defect or condition. Any other interpretation of the statute would be unworkable, as it is impossible for a seller to disclose conditions in the property of which he or she has no realization, perception, or knowledge. The determination of whether a seller is aware of a defect, however, is a question of fact to be decided by the trier of fact.

Id. at 425 (citations omitted). Thus, in the context where the plaintiff cannot demonstrate an omitted disclosure that caused damage, the seller is entitled to summary judgment as a matter of law. *Id*. at 426.

Generally, "[n]ondisclosure by the seller of adverse information concerning real property . . . will not provide the basis for an action by the buyer to rescind or for damages when property is sold 'as is.' " *Mackintosh v. Jack Matthews & Co*., 109 Nev. 628, 633, 855 P.2d 549, 552 (1993). Moreover, "[l]iability for nondisclosure is generally not imposed where the buyer either knew of or could have discovered the defects prior to the purchase." *Land Baron Invs., Inc. v. Bonnie Springs Family LP*, 131 Nev. 686, 696, 356 P.3d 511, 518 (2015). The general rule foreclosing liability for nondisclosure when property is purchased as-is does not apply when the seller knows of facts materially affecting the value or desirability of the property which are known or accessible only to [the seller] and also knows that such facts are not known to, or within the reach of the diligent attention and observation of the buyer. *Mackintosh*, 109 Nev. at 633, 855 P.2d at 552 (alteration in original) (internal quotation marks omitted).

A buyer waives its common law claims of negligent misrepresentation, fraudulent or intentional misrepresentation, and/or unjust enrichment when it expressly agreed that it would carry the duty to inspect the property and ensure that all aspects of it were suitable prior to close of escrow, and the information was reasonably accessible to the buyer. *Frederic and Barbara Rosenberg Living Tr. v. MacDonald Highlands Realty, LLC*, 427 P.3d 104, 111 (Nev. 2018). Accordingly, the Nevada Supreme Court concluded that an agreement to purchase property as-is

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foreclosed the buyer's common law claims, justifying the granting of summary judgment on common law claims. *Id*. (citation omitted).

> The terms and conditions of the purchase agreement do not create a duty to disclose. Rather, these disclosures are required by NRS Chapter 113, which sets forth specific statutory duties imposed by law independent of the purchase agreement's terms and conditions. Additionally, the terms of the purchase agreement do not require [the seller] to do anything other than provide the listed disclosures.

Anderson v. Ford Ranch, LLC, 78684-COA, 2020 WL 6955438, at *5 (Nev. App. Nov. 25, 2020).

Nevada Revised Statute ("NRS") § 113.140 clearly provides that the Seller Disclosures does not constitute a warranty of the Subject Property and that the Buyer still has a duty to exercise reasonable care to protect himself. NRS § 113.140 also provides that the Seller does not have to disclose any defect that he is unaware of. Similarly, NRS § 113.130 does not require a seller to disclose a defect in residential property of which the seller is not aware. A completed disclosure form does not constitute an express or implied warranty regarding any condition of residential property. NRS § 113.140(2). Chapters 113 and "645 of Nevada Revised Statutes do not relieve a buyer or prospective buyer of the duty to exercise reasonable care to protect himself or herself." *Id*. at § 113.140(2).

B. <u>The Two Waivers of Inspection and the Open and Obvious Nature of the Alleged Deficiencies are Fatal to Plaintiff's Claims as a Matter of Law</u>

Summary Judgment is appropriate as a matter of law on all of Plaintiff's claims. It is undisputed that the alleged deficiencies were either disclosed by Defendants, could have been discovered by an inspection, were open and obvious whereby Plaintiff / Ms. Zhu had notice of them at the time she purchased the Property, or were unknown to Defendants at the time of the sale.

1. *<u>Disclosures by Seller</u>*

On August 2, 2017, TKNR submitted its Seller Disclosures timely indicating all known conditions of the Subject Property. Ex. C. TKNR disclosed that "3 units has (sic) brand new AC installed within 3 months," and further that the "owner never resided in the property and never

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visited the property." *Id.* at Page 38. Plaintiff was also aware that the minor renovations, such as painting, was conducted by the Seller's "handyman" as disclosed in the Seller's Disclosures. *Id.* TNKR also disclosed that it was aware of issues with the heating and cooling systems, *Id*. at 36, there was construction, modification, alterations, or repairs done without permits, *Id*. at 37, and lead-based paints. *Id*.

As such, Summary Judgment is appropriate under NRS § 113.140(1) (seller is not required to disclose a defect in residential property of which she is not aware). Under this statute, "[a]scribing to the term 'aware' its plain meaning, . . . the seller of residential real property does not have a duty to disclose a defect or condition that 'materially affects the value or use of residential property in an adverse manner,' if the seller does not realize, perceive, or have knowledge of that defect or condition." *Nelson v. Heer*, 163 P.3d 420, 425 (Nev. 2007). Thus, as Plaintiff cannot demonstrate an omitted disclosure that caused damage, Defendants are entitled to summary judgment as a matter of law. *Id*. at 426.

Moreover, information related to permits is publicly available. The City of Las Vegas has a website[1] that allows anyone in the public to search for permits. Permit Search for Property attached as **Exhibit H**. NRS § 645.259(2) precludes any liability for misrepresentation or under Chapter 113 if the information is a public record:

> [e]xcept as otherwise provided in this subsection, the failure of the seller to make the disclosures required by NRS 113.130 and 113.135 if the information that would have been disclosed pursuant to NRS 113.130 and 113.135 **is a public record which is readily available to the client**.

(Emphasis Added). As the SAC is largely premised on the allegation that TNKR allegedly did not disclose that it did not use licensed contractors who obtained permits, SAC at ¶ 29, NRS 645.259(2) precludes any of these claims as a matter of law. As such, Summary Judgment is appropriate as TNKR disclosed that it did not have permits and the information was publicly available.

In total, under NRS § 113.140(1) (seller is not required to disclose a defect in residential

[1] https://www.lasvegasnevada.gov/Business/Permits-Licenses/Building-Permits/Permit-Application-Status?search=address&addrkey=237304

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property of which she is not aware), *Nelson v. Heer*, 163 P.3d 420, 425 (Nev. 2007), and NRS § 645.259(2), Defendants are entitled to Summary Judgment on Plaintiff's claims for (1) Recovery Under NRS Chapter 113, (2) Constructive Fraud, (3) Common Law Fraud, (4) Fraudulent Inducement, (5) Fraudulent Concealment, (6) Breach Of Fiduciary Duty, (8) Damages Under NRS 645.257(1), (9) Failure To Supervise, Inadequate training and Education, (12) Civil Conspiracy, (13) Breach Of Contract, and (14) Breach Of Implied Covenant of Good Faith and Fair Dealing]. It also eliminates the causes of action for (7) RICO, (10) Fraudulent Conveyance, (11) Fraudulent Conveyance, and (15) Abuse of Process since they have no basis in fact or law.

2. *Waiver of Inspections*

On August 11, 2020, through the original RPA, Ms. Zhu waived her due diligence, although she had a right to conduct inspections:

> During such Period, Buyer shall have the right to conduct, non-invasive/non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals.

Ex. B at 28 of 166 at 7(A) lines 36-39.

Section II(B)(1) lists the disclosures by TKNR. Despite these disclosures, Plaintiff chose not to inspect the Subject Property, request additional information and/or conduct any reasonable inquires. *Id.* In fact, Ms. Zhu only cancelled the original RPA, Ex. E, because of an issue related to her financing, not because of any concerns related to the Seller's Disclosures. Notably, she included the explicit waiver of the inspections, which included her initialing the provision that she had not done in the original RPA. Ex. F. Ms. Zhu even directly informed her agent to waive all inspections. Ex. D. Although Ms. Zhu had actual knowledge of the Seller's Disclosures, Ex. C, from August 11, 2017, and the Parties agreed to extend the COE to January 5, 2018, Ex. F at Addendum 1 at DEF4000365, Ms. Zhu still never did any inspections. Instead, she put down an additional $60,000 as a non-refundable deposit to the TNKR. *Id*. Moreover, she also agreed to pay rent in the amount of $650 per month for one of the units, and to also pay the property manager $800 for the tenant placement fee. *Id*. Through Addendum 2 to the 2nd RPA, Ms. Zhu

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later changed the purchaser to Plaintiff. *Id*. at DEF4000366.

As to the Brokers, Ms. Zhu agreed that she was not relying upon any representations made by Brokers or Broker's agent. *Id.* at DEF4000361 ¶ 22. Ms. Zhu agreed to purchase the Property AS-IS, WHERE-IS, without any representations or warranties. *Id.* Ms. Zhu agreed to satisfy herself, as to the condition of the Property, prior to the close of escrow. *Id.* Ms. Zhu waived all claims against Brokers or their agents for (a) defects in the Property . . . (h) factors related to Ms. Zhu's failure to conduct walk-throughs or inspections. *Id.* Ms. Zhu assumed full responsibility and agreed to conduct such tests, walk-throughs, inspections and research, as she deemed necessary. *Id.* In any event, Broker's liability was limited, under any and all circumstances, to the amount of that Broker's commission/fee received in the transaction. *Id.*

As to the waivers, Paragraph 7(D) of the both the RPA and 2nd RPA expressly provided:

> *It is strongly recommended that Buyer retain licensed Nevada professionals to conduct inspections*. If any inspection is not completed and requested repairs are not delivered to Seller within the Due Diligence Period, Buyer is deemed to have waived the right to that inspection and Seller's liability for the cost of all repairs that inspection would have reasonably identified had it been conducted, except as otherwise provided by law.

Id. Under Paragraph 7(F), it was Ms. Zhu's responsibility to inspect the Property sufficiently as to satisfy her use. *Id.* Nevertheless, Ms. Zhu waived her inspection related to the original RPA and the 2nd RPA, reinforced further by actually initialing next to the waiver in the 2nd RPA. Ex. F. Ms. Zhu also waived the energy audit, pest inspection, roof inspection, septic lid removal inspection, mechanical inspection, soil inspection, and structural inspection. *Id.* Thereby, Ms. Zhu waived any liability of Defendants for the cost of all repairs that inspection would have reasonably identified had it been conducted. *Id.* The RPA and the 2nd RPA clearly indicated that Ms. Zhu was purchasing the Property "AS-IS, WHERE-IS without any representations or warranties." *Id*. at DEF4000361 at ¶ 22.

Additionally, Ms. Zhu also agreed that the Brokers Defendants had "no responsibility to assist in the payment of any repair, correction or deferred maintenance on the Property which may have been revealed by the above inspections, agreed upon by the Buyer and Seller or requested by one party." *Id*.

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As a matter of law, Plaintiff is precluded from seeking damages from Defendants because of her failure to inspect. "Nondisclosure by the seller of adverse information concerning real property . . . will not provide the basis for an action by the buyer to rescind or for damages when property is sold 'as is.' " *Mackintosh v. Jack Matthews & Co.*, 109 Nev. 628, 633, 855 P.2d 549, 552 (1993). Moreover, "[l]iability for nondisclosure is generally not imposed where the buyer either knew of or could have discovered the defects prior to the purchase." *Land Baron Invs., Inc. v. Bonnie Springs Family LP*, 131 Nev. 686, 696, 356 P.3d 511, 518 (2015). Defendants also do not have liability as Ms. Zhu / Plaintiff purchased the Property "as-is" within the reach of the diligent attention and observation of the buyer. *Mackintosh*, 109 Nev. at 633, 855 P.2d at 552. NRS § 113.140 clearly provides that the disclosures do not constitute a warranty of the Property and that the purchaser still has a duty to exercise reasonable care to protect himself. A completed disclosure form does not constitute an express or implied warranty regarding any condition of residential property. NRS § 113.140(2). Chapters 113 and "645 of Nevada Revised Statutes do not relieve a buyer or prospective buyer of the duty to exercise reasonable care to protect himself or herself." *Id*. at § 113.140(2).

Thus, Plaintiff waived its common law claims of negligent misrepresentation, fraudulent or intentional misrepresentation, and/or unjust enrichment when it expressly agreed that it would carry the duty to inspect the property and ensure that all aspects of it were suitable prior to close of escrow, and the information regarding Property was reasonably accessible to the buyer. *Frederic and Barbara Rosenberg Living Tr. v. MacDonald Highlands Realty, LLC*, 427 P.3d 104, 111 (Nev. 2018).

In this context, Summary Judgment is appropriate as a matter of law. *Id*. (citation omitted). Defendants are entitled to Summary Judgment as to Plaintiff's claims for (1) Recovery Under NRS Chapter 113, (2) Constructive Fraud, (3) Common Law Fraud, (4) Fraudulent Inducement, (5) Fraudulent Concealment, (6) Breach Of Fiduciary Duty, (8) Damages Under NRS 645.257(1), (9) Failure To Supervise, Inadequate training and Education, (12) Civil Conspiracy, (13) Breach Of Contract, and (14) Breach Of Implied Covenant of Good Faith and Fair Dealing. It also eliminates the causes of action for (7) RICO, (10) Fraudulent Conveyance,

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(11) Fraudulent Conveyance, and (15) Abuse of Process since they have no basis in fact or law.

3. *Alleged Deficiencies Open and Obvious*

The alleged conditions identified by Plaintiff's alleged expert in the Property were open and obvious:

> [n]ote that the Plaintiff could have hired an inspector or contractor to evaluate this real-estate purchase beforehand but did not. Items complained about in the Sani Report were open and obvious at the roof area, attic area, and on the exterior and interior areas of the Property.

Ex. G at DEF5000372.

Plaintiff's expert did not do any destructive testing, so the same alleged conditions that the alleged expert noted, would have been made by an inspector at the time of the purchase. *Id*. at DEF5000372-373. Similarly, Professor Opfer noted:

> it is the fault of the Plaintiffs for not conducting requisite inspections of the Property prior to its purchase. Since this issue is apparently open and obvious as per the Sani Report, it would have been open and obvious as well during a pre-purchase inspection.

Id. at DEF5000380. The open and obvious nature of the alleged issues include the following:

1. the photographs from 2017 showed extensive cracking to the stucco and slab to the Property prior to any work by Defendants and/or the licensed contractor it hired to install the HVAC. *Id*.

2. the alleged attic issues could have been inspected at the time of the purchase. *Id*. at DEF5000378

3. "any deficient electrical work related to this 220-volt service situation could have been readily ascertained by an inspection at the time of purchase by the Plaintiff". *Id*. at DEF5000379

4. the alleged HVAC issues were open and obvious. *Id*. at DEF5000381

5. "the conditions complained about as to venting and ducting were present at the Property prior to Defendants owning the Property". *Id*. at DEF5000388,

6. Plaintiff could have conducted an online search related to the permits or lack of permits for the Property. *Id*. at DEF5000389.

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7. The basis of the Sani Estimate is nonsensical in the first place and there is nothing seen from this Sani Report that was not present at the time of sale of the Triplex Property. There were cracks in the stucco system and concrete slab system existing in 2017. Roof venting/duct venting had not been changed by Defendants and was existing in 2017 and could have been inspected by Plaintiff. *Id*. at DEF5000391.

8. Any deficiencies with this electrical installation were open, obvious and could have been inspected prior to purchase as with all other items with this Triplex Property. Any cracks such as wall or floor cracks subsequent to the purchase would obviously be new but again this occurs even on new homes across the Las Vegas Valley and elsewhere. *Id*. at DEF5000392.

9. Rental properties experience more-severe-service requirements due to many factors often including a lack of knowledge in order to care for a Property on the part of tenants along with often an uncaring attitude as well. *Id*. at DEF5000379.

Summary Judgment is appropriate as Plaintiff either knew of or could have discovered the defects prior to the purchase. *Land Baron Invs., Inc. v. Bonnie Springs Family LP*, 131 Nev. 686, 696, 356 P.3d 511, 518 (2015). Clearly, the open and obvious issues were within the reach of the diligent attention and observation of the buyer. *Mackintosh*, 109 Nev. at 633, 855 P.2d at 552 (alteration in original) (internal quotation marks omitted). In this context, Summary Judgment is appropriate as a matter of law. *Id*. (citation omitted). Defendants are entitled to Summary Judgment as to Plaintiff's claims for (1) Recovery Under NRS Chapter 113, (2) Constructive Fraud, (3) Common Law Fraud, (4) Fraudulent Inducement, (5) Fraudulent Concealment, (6) Breach Of Fiduciary Duty, (8) Damages Under NRS 645.257(1), (9) Failure To Supervise, Inadequate training and Education, (12) Civil Conspiracy, (13) Breach Of Contract, and (14) Breach Of Implied Covenant of Good Faith and Fair Dealing.

4. *Unknown to any Defendant*

At all times relevant, no Defendant was aware of any issues related to any of the alleged complaints raised by Plaintiff and/or Plaintiff's alleged expert. Declaration of Kenny Lin attached as **Exhibit I**. The only issues that Defendants were aware of were properly disclosed with an explanation. No Defendant was aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the

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Property before the time of the sale to Ms. Zhu. *Id*. Nor was any Defendant aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property at the time of the sale to Ms. Zhu. *Id*. As to the HVAC issue, Defendants were aware that tenants of the Property complained about the cooling of the Property, which is why TKNR paid to have the system upgraded by a licensed contractor. Air Team Invoice attached as **Exhibit J**.

At all times relevant, during the Due Diligence Period, Plaintiff had access to inspect: the mechanical systems, the structure of the Property, the windows, for mold / fungus, the electrical systems, the plumbing systems, the gas lines, the attic, the bathroom exhaust vent / washer /dryer exhaust vent, the ceiling insulation, the roof decking, the roof trusses, the roof support structures, the duct system, and the flooring and tiles. Ex. G. At all times relevant, Plaintiff knew that the Property was originally constructed in 1954. *Id.* at ¶ 70.

NRS § 113.140 provides that the Seller does not have to disclose any defect that he is unaware of. Similarly, NRS § 113.130 does not require a seller to disclose a defect in residential property of which the seller is not aware. The Nevada Supreme Court has also made it abundantly clear that a seller does not have any liability for unknown defects and/or where the diligent buyer should have done an inspection. *Nelson v. Heer*, 163 P.3d 420, 425 (Nev. 2007) (citing NRS 113.140(1)); *Mackintosh v. Jack Matthews & Co.*, 109 Nev. 628, 633, 855 P.2d 549, 552 (1993) (nondisclosure by the seller of adverse information concerning real property will not provide the basis for an action by the buyer for damages when property is sold as is); *Land Baron Invs., Inc. v. Bonnie Springs Family LP*, 131 Nev. 686, 696, 356 P.3d 511, 518 (2015) ("[l]iability for nondisclosure is generally not imposed where the buyer either knew of or could have discovered the defects prior to the purchase."); Frederic and *Barbara Rosenberg Living Tr. v. MacDonald Highlands Realty, LLC*, 427 P.3d 104, 111 (Nev. 2018) (buyer waives its common law claims of negligent misrepresentation, fraudulent or intentional misrepresentation, and/or unjust enrichment when it expressly agreed that it would carry the duty to inspect the property and ensure that all aspects of it were suitable prior to close of escrow, and the information was reasonably accessible to the buyer); *Anderson v. Ford Ranch, LLC*, 78684-COA, 2020 WL

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6955438, at *5 (Nev. App. Nov. 25, 2020) (the terms of the purchase agreement do not require the seller to do anything other than provide the listed disclosures).

Therefore, the overwhelming authority demands Summary Judgment in favor of Defendants as a matter of law. As such, Summary Judgment is appropriate as a matter of law. *Id*. (citation omitted). Defendants are entitled to Summary Judgment as to Plaintiff's claims for (1) Recovery Under NRS Chapter 113, (2) Constructive Fraud, (3) Common Law Fraud, (4) Fraudulent Inducement, (5) Fraudulent Concealment, (6) Breach Of Fiduciary Duty, (8) Damages Under NRS 645.257(1), (9) Failure To Supervise, Inadequate training and Education, (12) Civil Conspiracy, (13) Breach Of Contract, and (14) Breach Of Implied Covenant of Good Faith and Fair Dealing. It also eliminates the causes of action for (7) RICO, (10) Fraudulent Conveyance, (11) Fraudulent Conveyance, and (15) Abuse of Process since they have no basis in fact or law. It also eliminates the causes of action for (7) RICO, (10) Fraudulent Conveyance, (11) Fraudulent Conveyance, and (15) Abuse of Process since they have no basis in fact or law.

C. Summary Judgment is Warranted as to Broker Defendants

As to the Brokers, Ms. Zhu agreed that she was not relying upon any representations made by Brokers or Broker's agent. *Id.* at DEF4000361 ¶ 22. Ms. Zhu agreed to purchase the Property AS-IS, WHERE-IS, without any representations or warranties. *Id.* Ms. Zhu agreed to satisfy herself, as to the condition of the Property, prior to the close of escrow. *Id.* Ms. Zhu waived all claims against Brokers or their agents for (a) defects in the Property . . . (h) factors related to Ms. Zhu's failure to conduct walk-throughs or inspections. *Id.* Ms. Zhu assumed full responsibility and agreed to conduct such tests, walk-throughs, inspections and research, as she deemed necessary. *Id.* In any event, Broker's liability was limited, under any and all circumstances, to the amount of that Broker's commission/fee received in the transaction. *Id.* Additionally, Ms. Zhu also agreed that the Brokers Defendants had "no responsibility to assist in the payment of any repair, correction or deferred maintenance on the Property which may have been revealed by the above inspections, agreed upon by the Buyer and Seller or requested by one party." *Id*.

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NRS 645.252 sets forth the duties of real estate agents. Based on the Seller's Disclosures, the RPA, and the 2nd RPA, Defendants clearly do not have any liability to Plaintiff under Nevada law. Plaintiff had a separate agent representing them for the purchase of the Property. As noted earlier, Plaintiff cancelled the first RPA and entered into the second with actual knowledge of the Seller's Disclosures and the roles of all Defendants. Exs. A-F. NRS 645.252(4) clearly specifies that agents do not owe a duty to "(a) [i]ndependently verify the accuracy of a statement made by an inspector certified pursuant to chapter 645D of NRS or another appropriate licensed or certified expert" or "(c) [c]onduct an investigation of the condition of the property which is the subject of the real estate transaction."

In addition to the authority cited above, Summary Judgment is appropriate as a matter of law on Plaintiff's claims for (1) Recovery Under NRS Chapter 113, (2) Constructive Fraud, (3) Common Law Fraud, (4) Fraudulent Inducement, (5) Fraudulent Concealment, (6) Breach Of Fiduciary Duty, (8) Damages Under NRS 645.257(1), (9) Failure To Supervise, Inadequate training and Education, (12) Civil Conspiracy, (13) Breach Of Contract, and (14) Breach Of Implied Covenant of Good Faith and Fair Dealing]. It also eliminates the causes of action for (7) RICO, (10) Fraudulent Conveyance, (11) Fraudulent Conveyance, and (15) Abuse of Process since they have no basis in fact or law.

D. No Basis for Extraneous Claims

The SAC contains claims that appear to be loosely associated with the alleged non-disclosure claims related to the sale of the Property: (7) RICO; (10) Fraudulent Conveyance; (11) Fraudulent Conveyance; (12) Civil Conspiracy; and (15) Abuse of Process. As noted in the prior sections, each of these claims fall as a matter of law based on the aforementioned authority and facts. Nevertheless, this Section will address the lack of merit of each of these claims.

1. *RICO*

In 1970, the United States Congress passed the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. §§ 1961-1968 ("RICO"), as a portion of the Organized Crime Control Act of 1970. In passing RICO, "Congress created a wide array of novel civil and criminal weapons to use against crime and corruption." *Chappell v. Robbins*, 73 F.3d 918, 919

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(9th Cir. 1996). Similarly, "Congress created a private claim under RICO at least in part to compensate victims of racketeering." *Id.* at 1153 (citing *Petro-Tech, Inc. v. Western Co. of North America*, 824 F.2d 1349, 1358 (3d Cir.1987)). Nevertheless, "RICO was intended to combat organized crime, not to provide a federal cause of action and treble damages to every tort plaintiff." *Oscar v. University Students Co-op. Ass'n*, 965 F.2d 783, 786 (9th Cir. 1992). "[A]s a matter of law, personal injury, including emotional distress, is not compensable under section 1964(c) of RICO." *Berg v. First State Ins. Co.*, 915 F.2d 460, 464 (9th Cir. 1990). RICO "provides compensation only for damages caused by racketeering activity." *Oscar*, 965 F.2d at 813.

"Nevada's anti-racketeering statutes . . . are patterned after the federal [RICO] statutes." *Hale v. Burkhardt*, 104 Nev. 632, 634, 764 P.2d 866, 867 (1988). Nevada codified its own version of RICO under NRS §§ 207.350-207.520. NRS 207.400(1)(a) specifies that it is unlawful for a person **with criminal intent** received any proceeds derived, directly or indirectly, **from racketeering activity**. (Emphasis added). For a federal RICO claim, a plaintiff must allege the following elements to prevail on a RICO claim under a pattern of racketeering activity: (1) the conduct; (2) of an enterprise; (3) through a pattern; (4) of racketeering activity. *See Sun Sav. & Loan Ass'n v. Dierdorff*, 825 F.2d 187, 191 (9th Cir.1987).

However, "Nevada's civil RICO statute differs in some respects from the federal civil RICO statute." *Hale*, at 635, 764 P.2d at 868. One critical distinction is found in comparing the language of 18 U.S.C. § 1961(5) with that of NRS 207.390. The federal statute provides that a claimant must plead a pattern of racketeering activity and that such a pattern requires at least two predicate acts; Nevada's RICO statute does not speak in terms of a "pattern of racketeering" and provides that racketeering activity means two predicate acts of the type described in NRS 207.390 and NRS 207.360. Thus, there is no pattern/continuity requirement as is required under federal law. *Siragusa v. Brown*, 971 P.2d 801, 811 (Nev. 1998).

a. An Enterprise

Under RICO, an "enterprise" includes any individual, partnership, corporation, association, or other legal entity, and any union or group of individuals associated in fact

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although not a legal entity. 18 U.S.C. § 1961(4). It is " 'a being different from, not the same as or part of, the person whose behavior the act was designed to prohibit.' " *Rae v. Union Bank*, 725 F.2d 478, 481 (9th Cir.1984) (quotation omitted). For the purposes of a single action, a corporate defendant cannot be both the RICO person and the RICO enterprise under section 1962(c). *See Wilcox v. First Interstate Bank of Oregon*, 815 F.2d 522, 529 (9th Cir.1987). In terms of a pleading, problems arise when the named defendant is both the "person" and the "enterprise." *Sever v. Alaska Pulp Corp*., 978 F.2d 1529, 1534 (9th Cir. 1992).

b. Racketeering Activity

"[R]acketeering activity" is any act indictable under several provisions of Title 18 of the United States Code, and includes the predicate acts of mail fraud, wire fraud and obstruction of justice. . . ." *Turner v. Cook*, 362 F.3d 1219, 1229 (9th Cir. 2004) (citing 18 U.S.C. § 1961(1)). It includes general crimes involving acts or threats of murder, kidnapping, gambling, arson, robbery, bribery, extortion, dealing in obscene matter, or dealing in a controlled substance. *Id*. at § 1961(1)(A). It also includes specific enumerated federal crimes related to various crimes involving theft, fraud, immigration violations, and obstruction of justice. Id. at § 1961(1)(B)-(G).

"Continuity" is both a closed and open-ended concept, referring either to a closed period of repeated conduct, or to past conduct that by its nature projects into the future with a threat of repetition. A party alleging a RICO violation may demonstrate continuity over a closed period by proving a series of related predicates extending over a substantial period of time. Predicate acts extending over a few weeks or months and threatening no future criminal conduct do not satisfy this requirement[.]

c. No Basis for RICO Claim

Incorporating the prior sections related to the lack of merit of any of the other claims, there is no "racketeering" or form of predicate misconduct that "by its nature projects into the future with a threat of repetition", *Religious Tech. Ctr. v. Wollersheim*, 971 F.2d 364, 366 (9th Cir.1992), related to the sale of the Property to Plaintiff. First, there is no "Racketeering Activity" as it is legal to sell real property to a third party. Also, since the sale to Plaintiff

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concluded after the sale, there was no continuity. If there was any potential action for the alleged non-disclosure of **known** defects, then the action would fall under recognized torts specified in this brief, not RICO. As such, Summary Judgment is appropriate as (1) the other claims fail as a matter of law, (2) there was no criminal intent, (3) or a "racketeering activity".

2. *No Action for Fraudulent Conveyance*

Fraudulent Conveyance is governed by NRS §§ 112.180(1), 112.190(1). This requires a transfer made or obligation incurred by a debtor is fraudulent as to a creditor, whether the creditor's claim arose before or after the transfer was made or the obligation was incurred, if the debtor made the transfer or incurred the obligation (a) with actual intent to hinder, delay or defraud any creditor of the debtor; or (b) without receiving a reasonably equivalent value in exchange for the transfer or obligation, and the debtor. NEV. REV. STAT. § 112.180(1)(a-b). Alternatively, NRS § 112.190(1) specifies that a transfer made, or obligation incurred, by a debtor is fraudulent as to a creditor whose claim arose before the transfer was made or the obligation was incurred if the debtor made the transfer or incurred the obligation without receiving a reasonably equivalent value in exchange for the transfer or obligation and the debtor was insolvent at that time or the debtor became insolvent as a result of the transfer or obligation.

Here, Plaintiff failed to identify what the alleged transfer was and who the alleged creditor was that was defrauded. First, this claim lacks any merit as Summary Judgment is already appropriate as to the supporting claim for alleged liability by Defendants to Plaintiff. Second, this claim is premature since Plaintiff is not a creditor. Third, there has not been a showing that Defendants transferred anything. As Plaintiff will not be able to show any transfer was made "with actual intent to hinder, delay or defraud any creditor of the debtor", *Id.* at §112.180(1)(a), and Plaintiff does not have any basis for the claims in this matter, Summary Judgment is appropriate as a matter of law.

3. *Civil Conspiracy*

Under Nevada law, to establish a civil conspiracy claim, a plaintiff must show (1) the commission of an underlying tort; and (2) an agreement between the defendants to commit that tort. *Jordan v. State ex rel. Dep't of Motor Vehicles & Pub. Safety*, 121 Nev. 44, 110 P.3d 30, 51

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(2005) (per curiam) (stating that "an underlying cause of action for fraud is a necessary predicate to a cause of action for conspiracy to defraud"), abrogated on other grounds *Buzz Stew, LLC v. City of N. Las Vegas*, 124 Nev. 224, 228, 181 P.3d 670, 672 n. 6 (2008); *GES, Inc. v. Corbitt*, 117 Nev. 265, 21 P.3d 11, 15 (2001). "[I]t suffices under Nevada law to allege that Defendants . . . owed a duty to Plaintiffs not to conspire with those who do owe fiduciary duties to Plaintiffs to breach those duties." *Boorman v. Nev. Mem'l Cremation Soc'y, Inc*., 772 F. Supp. 2d 1309, 1315 (D. Nev. 2011).

Here, incorporating the preceding arguments illustrating that Summary Judgment is appropriate as a matter of law, Plaintiff cannot demonstrate (1) the commission of an underlying tort or (2) an agreement amongst the defendants to commit that tort. This illustrates that Summary Judgment is appropriate as a matter of law.

4. *Abuse of Process*

The elements of an abuse of process claim are: "(1) an ulterior purpose by the defendants other than resolving a legal dispute, and (2) a willful act in the use of the legal process not proper in the regular conduct of the proceeding." *Posadas v. City of Reno*, 109 Nev. 448, 452, 851 P.2d 438, 441-42 (1993). Abuse of process can arise from both civil and criminal proceedings. *LaMantia v. Redisi*, 118 Nev. 27, 30, 38 P.3d 877, 879 (2002). Malice, want of probable cause, and termination in favor of the person initiating or instituting proceedings are not necessary elements for a prima facie abuse of process claim. *Nevada Credit Rating Bur. v. Williams*, 88 Nev. 601, 606, 503 P.2d 9, 12 (1972); Restatement (Second) of Torts § 682 cmt. a (1977). The mere filing of a complaint is insufficient to establish the tort of abuse of process. *Laxalt v. McClatchy*, 622 F. Supp. 737, 751 (1985).

Here, Plaintiff illustrated the overall lack of merit related to the abuse of process claim in its limited opposition to Defendants' motion to file amended answer, counterclaim, and third-party claim

> If Defendants are allowed to file the proposed Counterclaim, Plaintiff will likely file it's (sic) own motion to file a Second Amended Complaint and allege an additional cause of action for abuse of process based on the Defendants' cause of action for abuse of process.

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Opposition (brief only) at 6:10-13 attached as **Exhibit K**. Notably, this Honorable Court found the totality of the Opposition meritless. Order at 2:20-21 attached as **Exhibit L**.

Clearly, the totality of the legal and factual arguments in this Motion illustrate the bad faith nature of Plaintiff's claim. First, it is clear that Plaintiff's action is merely an attempt to extort Defendants with a meritless claim in abuse of the legal process. Second, the Property was a then-63 year old home that Plaintiff purchased in 2018. Third, the purchase price was $200,000. Fourth, illustrating the abuse of process, Plaintiff are claiming $16.25 Million in damages:

Damage No.	Amount
1	1,950,000
2	2,600,000
3	2,600,000
4	2,600,000
5	650,000
6	650,000
7	650,000
8	650,000
9	650,000
10	2,600,000
11	Omitted
12	Omitted
13	650,000
	16,250,000

Plaintiff's First Supplemental Disclosure (excerpt) attached as **Exhibit M**. Fourth, Plaintiff also made bad faith claims under RICO and other baseless claims as part of this action. Fifth, Plaintiff's counsel has charged Plaintiff approximately $64,000 in attorneys' fees to prosecute these worthless claims. Ex. N. Sixth, the original settlement demand from Plaintiff was $10,000. Ex. I.

As Plaintiff admitted the only purpose in filing the claim for abuse of process was retaliatory, and the overwhelming facts and law illustrate the abuse of process by Plaintiff in bringing this action, Summary Judgment is appropriate as a matter of law.

E. Partial Summary Judgment

Under Nevada Rule of Civil Procedure 56(a), a party may move for summary judgment or partial summary judgment. "If the court does not grant all the relief requested by the motion,

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it may enter an order stating any material fact — including an item of damages or other relief — that is not genuinely in dispute and treating the fact as established in the case." *Id*. at 56(g). "[A]n admitting party is barred from denying that which it has already admitted. *La-Tex Partn. v. Deters*, 893 P.2d 361, 365 (Nev. 1995) (citing *Wagner v. Carex Investigations & Sec. Inc.*, 93 Nev. 627, 632, 572 P.2d 921, 924 (1977) (commenting on the application of Nev. R. Civ. Pro. 36).

Here, if this Honorable Court does not grant Summary Judgment on all claims, then Defendants respectfully request that It grant partial Summary Judgment as to the following undisputed facts:

1. The Property was originally constructed in 1954.
2. On or about August 11, 2017, Ms. Zhu executed the RPA for the Property.
3. The purchase price for the property was $200,000.
4. Through the RPA, Ms. Zhu waived her due diligence, although she had a right to conduct inspections.
5. Ms. Zhu did not cancel the contract related to any issues with the Property.
6. Under Paragraph 7(C) of the RPA, Ms. Zhu waived the Due Diligence condition.
7. Under Paragraph 7(D) of the RPA, it provided:

> *It is strongly recommended that Buyer retain licensed Nevada professionals to conduct inspections*. If any inspection is not completed and requested repairs are not delivered to Seller within the Due Diligence Period, Buyer is deemed to have waived the right to that inspection and Seller's liability for the cost of all repairs that inspection would have reasonably identified had it been conducted, except as otherwise provided by law.

8. Ms. Zhu waived any liability of Defendants for the cost of all repairs that inspection would have reasonably identified had it been conducted.
9. Ms. Zhu also waived the energy audit, pest inspection, roof inspection, septic lid removal inspection, mechanical inspection, soil inspection, and structural inspection.
10. Under Paragraph 7(F), it was Ms. Zhu's responsibility to inspect the Property sufficiently as to satisfy her use.
11. The Brokers had "no responsibility to assist in the payment of any repair, correction or deferred maintenance on the Property which may have been revealed by the above inspections, agreed upon by the Buyer and Seller or

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requested by one party."

12. On August 2, 2017, TKNR submitted its Seller Disclosures timely indicating all known conditions of the Subject Property. In fact, TKNR disclosed that "3 units has (sic) brand new AC installed within 3 months," and further that the "owner never resided in the property and never visited the property." Plaintiff was also aware that the minor renovations, such as painting, was conducted by the Seller's "handyman" as disclosed in the Seller's Disclosures. Seller also disclosed that it had construction, modification, alterations, or repairs done without permits. Despite these disclosures, Plaintiff chose not to inspect the Subject Property, request additional information and/or conduct any reasonable inquires.

13. On or before December 5, 2017, Ms. Zhu had issues related to the financing for the Property because of an appraisal. As such, Ms. Chen confirmed that Ms. Zhu would do a new purchase agreement, and would agree to pay the difference in an appraisal with a lower value than the purchase price, and waive inspections.

14. On the same day, Ms. Zhu and TKNR agreed to Addendum No. 1 to cancel the RPA dated August 11, 2017, and entered into the 2nd RPA. As before, the overall purchase price for the Property was $200,000, but Ms. Zhu changed the contingency for the loan to $150,000 with earnest money deposit of $500 and a balance of $49,500 owed at the COE.

15. Although Ms. Zhu had not initialed the "Failure to Cancel or Resolve Objections" provision in the RPA, she initialed the corresponding provision in the 2nd RPA. This was consistent with Ms. Zhu's instructions to Ms. Chen. This is the second time that Ms. Zhu waived inspections for the Property despite the language in the 2nd RPA that strongly advised to get an inspection done.

16. Ms. Zhu waived any inspections related to the purchase of the Property in the 2nd RPA. Although Ms. Zhu had actual knowledge of the Seller's Disclosures from August 11, 2017, and the Parties agreed to extend the COE to January 5, 2018, Ms. Zhu still never did any inspections. Instead, she put down an additional $60,000 as a non-refundable deposit to the TNKR. Moreover, she also agreed to pay rent in the amount of $650 per month for one the units, and to also pay the property manager $800 for the tenant placement fee.

17. Through Addendum 2 to the 2nd RPA, Ms. Zhu later changed the purchaser to Plaintiff.

18. As to the Brokers, Ms. Zhu agreed that she was not relying upon any representations made by Brokers or Broker's agent.

19. Ms. Zhu agreed to purchase the Property AS-IS, WHERE-IS, without any representations or warranties.

20. Ms. Zhu agreed to satisfy herself, as to the condition of the Property, prior to the close of escrow.

21. Ms. Zhu waived all claims against Brokers or their agents for (a) defects in the Property . . . (h) factors related to Ms. Zhu's failure to conduct walk-throughs or inspections. Ms. Zhu assumed full responsibility and agreed to conduct such tests, walk-throughs, inspections and research, as she deemed necessary. In any event, Broker's liability was limited, under any and all circumstances, to the amount of that Broker's commission/fee received in the transaction.

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22. Information related to permits is publicly available. The City of Las Vegas has a website that permits anyone in the public to search for permits.

23. NRS § 645.259(2) precludes any liability for misrepresentation or under Chapter 113 if the information is a public record.

24. Plaintiff could have hired an inspector or contractor to evaluate this real-estate purchase beforehand but did not. Items complained about in the Sani Report were open and obvious at the roof area, attic area, and on the exterior and interior areas of the Property.

25. Plaintiff's expert did not do any destructive testing, so the same alleged conditions that the alleged expert noted, would have been made by an inspector at the time of the purchase.

26. It is the fault of the Plaintiffs for not conducting requisite inspections of the Property prior to its purchase. Since this issue is apparently open and obvious as per the Sani Report, it would have been open and obvious as well during a pre-purchase inspection.

27. The photographs from 2017 showed extensive cracking to the stucco and slab to the Property prior to any work by Defendants and/or the licensed contractor it hired to install the HVAC.

28. The alleged attic issues could have been inspected at the time of the purchase.

29. Any deficient electrical work related to this 220-volt service situation could have been readily ascertained by an inspection at the time of purchase by the Plaintiff".

30. The alleged HVAC issues were open and obvious.

31. The conditions complained about as to venting and ducting were present at the Property prior to Defendants owning the Property.

32. Plaintiff could have conducted an online search related to the permits or lack of permits for the Property.

33. The basis of the Sani Estimate is nonsensical in the first place and there is nothing seen from this Sani Report that was not present at the time of sale of the Triplex Property. There were cracks in the stucco system and concrete slab system existing in 2017. Roof venting/duct venting had not been changed by Defendants and was existing in 2017 and could have been inspected by Plaintiff.

34. Any deficiencies with this electrical installation were open, obvious and could have been inspected prior to purchase as with all other items with this Triplex Property. Any cracks such as wall or floor cracks subsequent to the purchase would obviously be new but again this occurs even on new homes across the Las Vegas Valley and elsewhere.

35. It was well known at the time of the purchase that the Property was a 63 year old rental property that was subject to potential renter abuse.

36. At all times relevant, no Defendant was aware of any issues related to any of the alleged complaints raised by Plaintiff and/or Plaintiff's alleged expert. The only issues that Defendants were aware of were properly disclosed with an

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explanation. No Defendant was aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property before the time of the sale to Ms. Zhu. Nor was any Defendant aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property at the time of the sale to Ms. Zhu. As to the issue HVAC issue, Defendants were aware that tenants of the Property complained about the cooling of the Property, which is why TKNR paid to have the system upgraded by a licensed contractor.

37. At all times relevant, during the Due Diligence Period, Plaintiff had access to inspect: the mechanical systems, the structure of the Property, the windows, for mold / fungus, the electrical systems, the plumbing systems, the gas lines, the attic, the bathroom exhaust vent / washer /dryer exhaust vent, the ceiling insulation, the roof decking, the roof trusses, the roof support structures, the duct system, and the flooring and tiles.

38. NRS 645.252(4) clearly specifies that agents do not owe a duty to "(a) [i]ndependently verify the accuracy of a statement made by an inspector certified pursuant to chapter 645D of NRS or another appropriate licensed or certified expert" or "(c) [c]onduct an investigation of the condition of the property which is the subject of the real estate transaction."

F. Attorneys' Fees and Costs

Pursuant to Nevada Rule of Civil Procedure 11(c), the court may order a party to show cause why it has not violated the mandates of Rule 11. Rule 11 prevents a party from bringing a lawsuit for an improper purpose, which includes: (1) harassment, causing unnecessary delay, or needless increasing the cost of litigation; or (2) making frivolous claims. NEV. R. CIV. PRO. 11(b)(1)-(2). Rule 11 sanctions should be imposed for frivolous actions. *Marshall v. District Court*, 108 Nev. 459, 465, 836 P.2d 47, 52.

A frivolous claim is one that is "both baseless and made without a reasonable and competent inquiry." *Bergmann v. Boyce*, 109 Nev. 670, 676, 856 P.2d 560, 564 (1993) (quoting *Townsend v. Holman Consulting Corp.*, 929 F.2d 1358, 1362 (9th Cir.1990); *Golden Eagle Distrib. Corp. v. Burroughs Corp.*, 801 F.2d 1531, 1537 (9th Cir.1986)). A determination of whether a claim is frivolous involves a two-pronged analysis: (1) the court must determine whether the pleading is "well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification or reversal of existing law"; and (2) whether the attorney made a reasonable and competent inquiry. *Bergmann*, 109 Nev. at 676, 856 P.2d at 564. A sanction imposed for violation of Rule 11 shall be limited to what is sufficient to deter

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repetition of such conduct or comparable conduct by others similarly situated. *Id.* at 11(c)(2).

Furthermore, a court may award attorneys' fees to a prevailing party when it finds that the claim was brought or maintained without reasonable ground or to harass the prevailing party. NEV. REV. STAT. § 18.010(2)(b). In other cases, a court may award attorneys' fees "when it finds that the opposing party brought or maintained a claim without reasonable grounds." *Rodriguez v. Primadonna Co., LLC*, 216 P.3d 793, 800 (Nev. 2009). "The court shall liberally construe the provisions of this paragraph in favor of awarding attorney's fees in all appropriate situations." *Id.* The Nevada Legislature explained that:

> [i]t is the intent of the Legislature that the court award attorney's fees pursuant to this paragraph and impose sanctions pursuant to Rule 11 of the Nevada Rules of Civil Procedure in all appropriate situations to punish for and deter frivolous or vexatious claims and defenses because such claims and defenses overburden limited judicial resources, hinder the timely resolution of meritorious claims and increase the costs of engaging in business and providing professional services to the public.

Id. "A claim is groundless if 'the allegations in the complaint . . . are not supported by any credible evidence at trial.'" *Barozzi v. Benna*, 112 Nev. 635, 639, 918 P.2d 301, 303 (1996) (quoting *Western United Realty, Inc. v. Isaacs*, 679 P.2d 1063, 1069 (Colo.1984)).

As noted in Section II(D)(4), the overwhelming facts and law illustrate that Plaintiff's claim is frivolous. Not only did Plaintiff intentionally omit the waiver of inspections from the pleadings, they also egregiously claimed damages in excess of $16.25 Million related to the Property. Plaintiff's claim is clearly frivolous: (1) where the pleading was not "well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification or reversal of existing law", and (2) Plaintiff's attorney continued to make frivolous claims. *Bergmann*, 109 Nev. at 676, 856 P.2d at 564. Sanctions are warranted against Plaintiff and its counsel, which should include an award attorneys' fees to Defendants. Plaintiff brought or maintained this action without reasonable ground and only to harass Defendants. NEV. REV. STAT. § 18.010(2)(b). The overwhelming facts and law also show that Plaintiff brought or maintained this claim without reasonable grounds, which justifies an award of attorneys' fees. *Rodriguez v. Primadonna Co., LLC*, 216 P.3d 793, 800 (Nev. 2009).

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III. CONCLUSION

For the aforementioned reasons, this Honorable Court should grant the Motion.

DATED this 15 day of December, 2020.

MICHAEL B. LEE, P.C.

/s/ Michael Lee

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 15 day of December, 2020, I placed a copy of the **DEFENDANTS' MOTION FOR SUMMARY JUDGMENT, OR IN THE ALTERNATIVE, PARTIAL SUMMARY JUDGMENT** as required by Eighth Judicial District Court Rule 7.26 by delivering a copy or by mailing by United States mail it to the last known address of the parties listed below, facsimile transmission to the number listed, and/or electronic transmission through the Court's electronic filing system to the e-mail address listed below:

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Nevada State Bar No. 3946
318 S. Maryland Parkway
Las Vegas, Nevada 89101
Telephone: (702) 251-0000
Email: ben@benchilds.com
Attorneys for *Plaintiff*

/s/Mindy Pallares
An employee of MICHAEL B. LEE, P.C.

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Exhibit A

Exhibit A

LVR | **Multiple Dwelling** | **Ownership** | **04/09/2020 4:40 PM**

ML#	**1919843**	Offc	**INPR**	PubID	**230338**	Status	**H**	Area	**301**
Address	**2132 /HOUSTON /Drive**					StatusUpdate			
City/Town	**Las Vegas**								
County	**CLARK**	MetroMap	**55-E1**			Twnshp	**21**	Range	**61**
Legal				Subdiv	**JUBILEE TRACT**				
Parcel#	**162-01-110-017**			YrBuilt	**1954/RE**				
List Agent:	**Kenny Lin/230338**			List Broker:	**Investpro Realty/INPR**				
License #:	**S.0172460**								

L/Price	**$199,888**						
Zip	**89104**						
State	**NV**						
Sect	**1**						
Subdiv#	**2800**						

PROPERTY INFORMATION

Bld Type	**TRIPLEX**	Appx Bldg SqFt	**2,167**	#Acres +/-	**0.190**	Lot Dim	**70x120**
Cost/Un						Lot SqFt	**8,276**

Total Units	**3**
# Furnished Units	

Dir **From Charleston and Eastern, Go south on Eastern, Left on Houston to property on the right-hand side.**

Public Remarks **No HOA Fees! BRAND NEW Air Conditioning Unit! Excellent Investment for a single story three unit building! Very cozy for tenants and just walking distance to shopping, park, retail, etc! Fresh two tone paint to all three units! New flooring, upgraded kitchen, and bathrooms! Don't miss it!**

Ag/Ag Remarks **Total rent about $1,800/month. Please make offers subject to home inspection, PLEASE DO NOT bother tenants in Unit#A & B. Unit #C now is Vacant. GLVAR forms, please! Pre-Approval or POF with the offer. Unit#B&C are brand new central A/C, unit#A is brand new window A/C unit. Pending Cancellation of existing escrow. Agents to verify all information. Thanks for selling!**

INCOME INFORMATION

Yrly Oper Income	**$22,200**	**+**	Yrly Oth Income	**-**	Vacancy	**=**	GOI	**-**	
Yrly Oper Expense	**$2,107**	**=**	NOI						
Cap Rate									
Gross Rent Multiplier									
Yearly Other Income Includes	**NONE**								

OPERATING EXPENSE INFORMATION

RE Taxes	**$730**	Prop Ins		Managmnt		Maintenance	
Utilities		Utils Incl				Trash	
Contract Sv Incl				Exp Sourc	**MGMTCO**	Package Available	
Association Fee	**N**	AsscFee1		Assoc Incl			
Earn Dep	**$3,500**	Cash Assm				Assessed Lnd/Imprv	
Owner Will Carry		Current Loan(s) Assumable?				Other Encumbrance	**NONE**
Finance Consid	**CASH, CONV**					Subject to FIRPTA?	**N**

2 Bedroom	#Units	**3-Triplex**	Rent/UN	**$625**	#1 Bath	**1**	#1.5 Bath	**0**	#2 Bath	**0**	Avg SF	**1**
2 Bedroom	#Units	**3-Triplex**	Rent/UN	**$625**	#1 Bath	**1**	#1.5 Bath	**0**	#2 Bath	**0**	Avg SF	**1**
1 Bedroom	#Units	**3-Triplex**	Rent/UN	**$550**	#1 Bath	**1**	#1.5 Bath	**0**	#2 Bath	**0**	Avg SF	**1**

RENTAL EXPENSE INFORMATION

Ten Pays **ELEC, GAS, WATER** Restrictions

Rent Terms

BUILDING INFORMATION AND AMENITIES

Total #Bldgs	**1**	#Floors	**1**	Handicap Adapted	**N**	Roof	**COMPOS**
Flooring	**CERAMIC, WOOD**					Constr	**STUCCO**
Total # of Parking Spaces						Parking	
Appliances	**DISHWSH, DRYER, FANHOOD, RANGEOV, REFRIG, WASHER**						
Furniture Included?							
Unit Amens	**BLINDS, ENCLYRD**						
Complex Amens	**NONE**						

UTILITIES INFORMATION

Heat Sys	**CENTRAL, OTHER**	HtFuel	**ELEC**	Water	**PUBLIC**
Cool Sys	**CENTRAL, WINDOW**	Sep Meter	**ELEC, GAS**	Sewer	**PUBLIC**

VOW/FINANCIAL/LISTING OFFICE INFORMATION

Internet **Y** Public Address **Y** AVM **Y** Commentary **N**

Short Sale	**N**	Foreclo	**N**	Repo/REO	**N**
Lockbox	**M**	LockboxLocation	**Front door**		
L/Agent	**Kenny Lin**			L/APh	**702-726-0000**
	S.0172460				
Office	**Investpro Realty**			OffcPh	**702-997-3832**
Off Add	**3553 Valley View Dr, Las Vegas 89103**				
Agt Fax #	**(702) 997-3836**			Email	**zhong.kenny@gmail.com**

NOD			
TempOffMktStatus		T Status Date	
REALTOR	**Y**	AgtOwnshpInt	
Bonus SO	**No**	CoOp	**3.000%**
BrokerName	**Joyce A Nickrandt**	Vr	**N**
PhotExcl		VTour	**Y**

Flat Fee	
Ex	**N**
OwnLic	**N**

TeamContact	TeamContPh	TeamEmail
Kenny Lin	**702-726-0000**	**zhong.kenny@gmail.com**

Resident		ResPh		Occup		AuctTyp	
Showing	**KEYANY**			GateCode		Act DOM	**14**
ContDesc		ComboLB	**0296**	GateCode2		OrigListPrice	**$199,888**

ListDt	**08/02/2017**
ExpDt	**10/31/2017**
AuctDt	
WD	

CONTINGENT/PENDING/SOLD INFORMATION:

Accept/Date	**08/14/2017**	EstClo/Date	**01/31/2018**	DaysListingtoClose	**136 days**	Orig L.Price	**$199,888**
Sold Terms	**CASH**	ActClo/Date	**12/16/2017**	BuyersAgtPublicID	**233606**	Sale Price	**$200,000**
Sellers Contrib	**$0**	Prop Condition	**GOOD**	Buyer Broker	**INPR**	SP/SqFt	**$92**
OwnrCarry		Days On Market	**14**	Broker Office	**Investpro Realty, 3553 Valley View Dr, Las Vegas 89103**		
Auction Buyer Premium		Down Payment:	**$5,000**				

AA000116

DEF 0251

EXHIBIT B

EXHIBIT B

InvestPro REALTY

RESIDENTIAL PURCHASE AGREEMENT

(Joint Escrow Instructions)

Date: 08/11/17

Marie Zhu ("Buyer"), hereby offers to purchase 2132 HOUSTON DR ("Property"), within the city or unincorporated area of LASVEGAS, County of CLARK, State of Nevada, Zip 89104, A.P.N. # 162-01-110-017 for the purchase price of $ 200,000.00 (Two Hundred Thousand dollars) ("Purchase Price") on the terms and conditions contained herein: BUYER ☐ does –OR– ☒ does not intend to occupy the Property as a residence.

Buyer's Offer

1. FINANCIAL TERMS & CONDITIONS:

$ 5,000.00 **A. EARNEST MONEY DEPOSIT** ("EMD") is ☒ presented with this offer –OR– ☐ _____. Upon Acceptance, Earnest Money to be deposited within one (1) business day from acceptance of offer (as defined in Section 23 herein) or 2 business days if wired to: ☒ Escrow Holder, ☐ Buyer's Broker's Trust Account, –OR– ☐ Seller's Broker's Trust Account. *(NOTE: It is a felony in the State of Nevada—punishable by up to four years in prison and a $5,000 fine—to write a check for which there are insufficient funds. NRS 193.130(2)(d).)*

$ 0.00 **B. ADDITIONAL DEPOSIT** to be placed in escrow on or before (date) _____. The additional deposit ☐ will –OR– ☐ will not be considered part of the EMD. (Any conditions on the additional deposit should be set forth in Section 28 herein.)

$ 150,000.00 **C. THIS AGREEMENT IS CONTINGENT UPON BUYER QUALIFYING FOR A NEW LOAN:** ☒ Conventional, ☐ FHA, ☐ VA, ☐ Other (specify) _____.

$ 0.00 **D. THIS AGREEMENT IS CONTINGENT UPON BUYER QUALIFYING TO ASSUME THE FOLLOWING EXISTING LOAN(S):** ☐ Conventional, ☐ FHA, ☐ VA, ☐ Other (specify) _____. Interest: ☐ Fixed rate, _____ years – OR – ☐ Adjustable Rate, _____ years. Seller further agrees to provide the Promissory Note and the most recent monthly statement of all loans to be assumed by Buyer within FIVE (5) calendar days of acceptance of offer.

$ 0 **E. BUYER TO EXECUTE A PROMISSORY NOTE SECURED BY DEED OF TRUST PER TERMS IN"FINANCING ADDENDUM" which is attached hereto.**

$ 45,000.00 **F. BALANCE OF PURCHASE PRICE** (Balance of Down Payment) in Good Funds to be paid prior to Close of Escrow ("COE").

$ 200,000.00 **G. TOTAL PURCHASE PRICE.** (This price DOES NOT include closing costs, prorations, or other fees and costs associated with the purchase of the Property as defined herein.)

2. ADDITIONAL FINANCIAL TERMS & CONTINGENCIES:

A. NEW LOAN APPLICATION: Within 2 business days of Acceptance, Buyer agrees to (1) submit a

completed loan application to a lender of Buyer's choice and (2) furnish a preapproval letter to Seller based upon a standard factual credit report and review of debt to income ratios. If Buyer fails to complete any of these conditions within the applicable time frame, Seller reserves the right to terminate this Agreement. In such event, both parties agree to cancel the escrow and return EMD to Buyer. Buyer shall use Buyer's best efforts to obtain financing under the terms and conditions outlined in this Agreement.

B. APPRAISAL CONTINGENCY: Buyer's obligation to purchase the property is contingent upon the property appraising for not less than the Purchase Price. If after the completion of an appraisal by a licensed appraiser, Buyer receives written notice from the lender or the appraiser that the Property has appraised for less than the purchase price (a "Notice of Appraised Value") Buyer may attempt to renegotiate or cancel the RPA by providing written notice to the Seller (with a copy of the Appraisal) no later than 14 calendar days after Acceptance of the RPA; whereupon the EMD shall be released to the Buyer without the requirement of written authorization from Seller. **IF this Residential Purchase Agreement is not cancelled, in writing on or before the Appraisal Deadline, Buyer shall be deemed to have waived the appraisal contingency.**

C. LOAN CONTINGENCY: Buyer's obligation to purchase the property is contingent upon Buyer obtaining the loan referenced in Section 1(C) or 1(D) of the RPA unless otherwise agreed in writing. Buyer shall remove the loan contingency in writing, attempt to renegotiate, or cancel the RPA by providing written notice to the Seller no later than 21 calendar days after Acceptance of the RPA; whereupon the EMD shall be released to the Buyer without the requirement of written authorization from Seller. **IF this Residential Purchase Agreement is not cancelled, in writing on or before the Loan Contingency Deadline, Buyer shall be deemed to have waived the loan contingency.**

D. CASH PURCHASE: Within n/a business days of Acceptance, Buyer agrees to provide written evidence from a bona fide financial institution of sufficient cash available to complete this purchase. If Buyer does not submit the written evidence within the above period, Seller reserves the right to terminate this Agreement.

3. SALE OF OTHER PROPERTY: This Agreement ☒ **is not –OR–** ☐ **is** contingent upon the sale (and closing) of another property which address is _____.
Said Property ☐ **is** ☒ **is not currently listed –OR-** ☐ **is** presently in escrow with _____.
Escrow Number: _____. Proposed Closing Date: _____.

When Buyer has accepted an offer on the sale of this other property, Buyer will promptly deliver a written notice of the sale to Seller. If Buyer's escrow on this other property is terminated, abandoned, or does not close on time, this Agreement will terminate without further notice unless the parties agree otherwise in writing. If Seller accepts a bona fide written offer from a third party prior to Buyer's delivery of notice of acceptance of an offer on the sale of Buyer's property, Seller shall give Buyer written notice of that fact. Within three (3) calendar days of receipt of the notice, Buyer will waive the contingency of the sale and closing of Buyer's other property, or this Agreement will terminate without further notice. In order to be effective, the waiver of contingency must be accompanied by reasonable evidence that funds needed to close escrow will be available and Buyer's ability to obtain financing is not contingent upon the sale and/or close of any other property.

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

The following additional items of personal property: _____

_____

5. ESCROW:

A. OPENING OF ESCROW: The purchase of the Property shall be consummated through Escrow ("Escrow"). Opening of Escrow shall take place by the end of one (1) business day after Acceptance of this Agreement

("Opening of Escrow"), at Nevada Title title or escrow company ("Escrow Company" or "ESCROW HOLDER") with Michele Eaton ("Escrow Officer") (or such other escrow officer as Escrow Company may assign). Opening of Escrow shall occur upon Escrow Company's receipt of this fully accepted Agreement. ESCROW HOLDER is instructed to notify the Parties (through their respective Agents) of the opening date and the Escrow Number.

B. EARNEST MONEY: Upon Acceptance, Buyer's EMD as shown in Section 1(A), and 1(B) if applicable, of this Agreement, shall be deposited pursuant to the language in Section 1(A) and 1(B) if applicable.

C. CLOSE OF ESCROW: Close of Escrow ("COE") shall be on or before: 30 days upon acceptance (date). If the designated date falls on a weekend or holiday, COE shall be the next business day.

D. IRS DISCLOSURE: Seller is hereby made aware that there is a regulation that requires all ESCROW HOLDERS to complete a modified 1099 form, based upon specific information known only between parties in this transaction and the ESCROW HOLDER. Seller is also made aware that ESCROW HOLDER is required by federal law to provide this information to the Internal Revenue Service after COE in the manner prescribed by federal law.

6. TITLE INSURANCE: This Purchase Agreement is contingent upon the Seller's ability to deliver, good and marketable title as evidenced by a policy of title insurance, naming Buyer as the insured in an amount equal to the purchase price, furnished by the title company identified in Section 5(A). Said policy shall be in the form necessary to effectuate marketable title or its equivalent and shall be paid for as set forth in Section 8(A).

7. BUYER'S DUE DILIGENCE: Buyer's obligation is [MZ] **is not** ____ conditioned on the Buyer's Due Diligence as defined in this section 7(A) below. This condition is referred to as the "Due Diligence Condition" if checked in the affirmative, Sections 7 (A) through (C) shall apply; otherwise they do not. Buyer shall have 14 calendar days from Acceptance (as defined in Section 23 herein) to complete Buyer's Due Diligence. Seller agrees to cooperate with Buyer's Due Diligence. **Seller shall ensure that all necessary utilities (gas, power and water) and all operable pilot lights are on for Buyer's investigations and through the close of escrow.**

A. PROPERTY INSPECTION/CONDITION: During the Due Diligence Period, Buyer shall take such action as Buyer deems necessary to determine whether the Property is satisfactory to Buyer including, but not limited to, whether the Property is insurable to Buyer's satisfaction, whether there are unsatisfactory conditions surrounding or otherwise affecting the Property (such as location of flood zones, airport noise, noxious fumes or odors, environmental substances or hazards, whether the Property is properly zoned, locality to freeways, railroads, places of worship, schools, etc.) or any other concerns Buyer may have related to the Property. During such Period, Buyer shall have the right to conduct, non-invasive/ non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals. Seller agrees to provide reasonable access to the Property to Buyer and Buyer's inspectors. Buyer agrees to indemnify and hold Seller harmless with respect to any injuries suffered by Buyer or third parties present at Buyer's request while on Seller's Property conducting such inspections, tests or walk-throughs. Buyer's indemnity shall not apply to any injuries suffered by Buyer or third parties present at Buyer's request that are the result of an intentional tort, gross negligence or any misconduct or omission by Seller, Seller's Agent or other third parties on the Property. Buyer is advised to consult with appropriate professionals regarding neighborhood or Property conditions, including but not limited to: schools; proximity and adequacy of law enforcement; proximity to commercial, industrial, or agricultural activities; crime statistics; fire protection; other governmental services; existing and proposed transportation; construction and development; noise or odor from any source; and other nuisances, hazards or circumstances. If Buyer cancels this Agreement due to a specific inspection report, Buyer shall provide Seller at the time of cancellation with a copy of the report containing the name, address, and telephone number of the inspector.

B. BUYER'S RIGHT TO CANCEL OR RESOLVE OBJECTIONS: If Buyer determines, in Buyer's sole discretion, that the results of the Due Diligence are unacceptable, Buyer may either: (i) no later than the Due Diligence Deadline referenced in Section 7, cancel the Residential Purchase Agreement by providing written notice to the Seller, whereupon the Earnest Money Deposit referenced in Section 1(A) shall be released to the Buyer without the requirement of further written authorization from Seller; or (ii) no later than the Due Diligence Deadline referenced in Section 7, resolve in

writing with Seller any objections Buyer has arising from Buyer's Due Diligence.

C. FAILURE TO CANCEL OR RESOLVE OBJECTIONS: If Buyer fails to cancel the Residential Purchase Agreement or fails to resolve in writing with Seller any objections Buyer has arising from Buyer's Due Diligence, as provided in Section 7, **Buyer shall be deemed to have waived the Due Diligence Condition.**

_____ **Buyer's Initials** _____ **Buyer's Initials**

D. INSPECTIONS: Acceptance of this offer is subject to the following reserved right. Buyer may have the Property inspected and select the licensed contractors, certified building inspectors and/or other qualified professionals who will inspect the Property. Seller will ensure that necessary utilities (gas, power and water and all operable pilot lights) are turned on and supplied to the Property within two (2) business days after Acceptance of this Agreement, to remain on until COE. *It is strongly recommended that Buyer retain licensed Nevada professionals to conduct inspections.* If any inspection is not completed and requested repairs are not delivered to Seller within the Due Diligence Period, Buyer is deemed to have waived the right to that inspection and Seller's liability for the cost of all repairs that inspection would have reasonably identified had it been conducted, except as otherwise provided by law. The foregoing expenses for inspections will be paid outside of Escrow unless the Parties present instructions to the contrary prior to COE, along with the applicable invoice.

(Identify which party shall pay for the inspection noted below either: SELLER, BUYER, 50/50, WAIVED or N/A.)

Type	Paid By	Type	Paid By	Type	Paid By
Energy Audit	Waived	Fungal Contaminant Inspection	Waived	Well Inspection (Quantity)	N/A
Home Inspection	Buyer	Mechanical Inspection	Waived	Well Inspection (Quality)	N/A
Termite/Pest Inspection	Waived	Pool/Spa Inspection	N/A	Wood-Burning Device/ Chimney Inspection	N/A
Roof Inspection	Waived	Soils Inspection	Waived	Septic Inspection	N/A
Septic Lid Removal	Waived	Septic Pumping	N/A	Structural Inspection	Waived
Survey (type):	N/A	Other:		Other:	

E. CERTIFICATIONS: In the event an inspection reveals areas of concern with the roof, septic system, well, wood burning device/chimney or the possible presence of a fungal contaminant, Buyer reserves the right to require a certification. The expenses for certifications will be paid outside of Escrow unless the Parties present instructions to the contrary prior to COE (along with the applicable invoice). A certification is not a warranty.

F. BUYER'S REQUEST FOR REPAIRS: It is Buyer's responsibility to inspect the Property sufficiently as to satisfy Buyer's use. Buyer reserves the right to request repairs, based upon the Seller's Real Property Disclosure or items which materially affect value or use of the Property revealed by an inspection, certification or appraisal. Items of a general maintenance or cosmetic nature which do not materially affect value or use of the Property, which existed at the time of Acceptance and which are not expressly addressed in this Agreement are deemed accepted by the Buyer, except as otherwise provided in this Agreement. The Brokers herein have no responsibility to assist in the payment of any repair, correction or deferred maintenance on the Property which may have been revealed by the above inspections, agreed upon by the Buyer and Seller or requested by one party.

8. FEES, AND PRORATIONS (Identify which party shall pay the costs noted below either: SELLER, BUYER, 50/50, WAIVED or N/A.)

A. TITLE, ESCROW & APPRAISAL FEES:

Type	Paid By	Type	Paid By	Type	Paid By
Escrow Fees	50/50	Lender's Title Policy	Buyer	Owner's Title Policy	Seller
Real Property Transfer Tax	Seller	Appraisal	Buyer	Other:	

B. PRORATIONS: Any and all rents, taxes, interest, homeowner association fees, trash service fees, payments on bonds, SIDs, LIDs, and assessments assumed by the Buyer, and other expenses of the property shall be prorated as of the date of the recordation of the deed. Security deposits, advance rentals or considerations involving future lease credits shall be

credited to the Buyer. All prorations will be based on a 30-day month and will be calculated as of COE. Prorations will be based upon figures available at closing. Any supplementals or adjustments that occur after COE will be handled by the parties outside of Escrow.

C. PRELIMINARY TITLE REPORT: Within ten (10) business days of Opening of Escrow, Title Company shall provide Buyer with a Preliminary Title Report ("PTR") to review, which must be approved or rejected within five (5) business days of receipt thereof. If Buyer does not object to the PTR within the period specified above, the PTR shall be deemed accepted. If Buyer makes an objection to any item(s) contained within the PTR, Seller shall have five (5) business days after receipt of objections to correct or address the objections. If, within the time specified, Seller fails to have each such exception removed or to correct each such objection, Buyer shall have the option to: (a) terminate this Agreement by providing notice to Seller and Escrow Officer, entitling Buyer to a refund of the EMD or (b) elect to accept title to the Property as is. All title exceptions approved or deemed accepted are hereafter collectively referred to as the "Permitted Exceptions."

D. LENDER AND CLOSING FEES: In addition to Seller's expenses identified herein, Seller will contribute $\$$ 0 to Buyer's Lender's Fees and/or Buyer's Title and Escrow Fees ☒ **including** –OR– ☐ **excluding** costs which Seller must pay pursuant to loan program requirements. Different loan types (e.g., FHA, VA, conventional) have different appraisal and financing requirements, which will affect the parties' rights and costs under this Agreement.

E. HOME PROTECTION PLAN: Buyer and Seller acknowledge that they have been made aware of Home Protection Plans that provide coverage to Buyer after COE. **Buyer** ☒ **waives** –OR– ☐ **requires** a Home Protection Plan with _____. ☒ **Seller** –OR– ☐ **Buyer** will pay for the Home Protection Plan at a price not to exceed $\$$_____. **Buyer** will order the Home Protection Plan. Neither Seller nor Brokers make any representation as to the extent of coverage or deductibles of such plans.

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

10. COMMON-INTEREST COMMUNITIES: If the Property is subject to a Common Interest Community ("CIC"), **Seller shall provide AT SELLER's EXPENSE the CIC documents as required by NRS 116.4109** (collectively, the "resale package"). Seller shall request the resale package within two (2) business days of Acceptance and provide the same to Buyer within one (1) business day of Seller's receipt thereof.

- **Pursuant to NRS 116.4109, Buyer may cancel this Agreement without penalty until midnight of the fifth (5th) calendar day following the date of receipt of the resale package.** If Buyer elects to cancel this Agreement pursuant to this statute, he/she must deliver, via hand delivery, prepaid U.S. mail, or electronic transmission, a written notice of cancellation to Seller or his or her authorized agent.
- **If Buyer does not receive the resale package within fifteen (15) calendar days of Acceptance, this Agreement may be cancelled in full by Buyer without penalty.** Notice of cancellation shall be delivered pursuant to Section 24 of the RPA.
- Upon such written cancellation, Buyer shall promptly receive a refund of the EMD. The parties agree to execute any documents requested by ESCROW HOLDER to facilitate the refund. If written cancellation is not received within the specified time period, the resale package will be deemed approved. Seller shall pay all outstanding CIC fines or penalties at COE.

A. CIC RELATED EXPENSES: (Identify which party shall pay the costs noted below either: SELLER, BUYER, 50/50, WAIVED or N/A.)

Type	Paid By	Type	Paid By	Type	Paid By
CIC Demand	Seller	CIC Capital Contribution	Seller	CIC Transfer Fees	Seller
Other: _____					

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

Buyer's Name: Marie Zhu BUYER(S) INITIALS: MZ /

Property Address: 2132 HOUSTON DR SELLER(S) INITIALS: CW

11. DISCLOSURES: Within five (5) calendar days of Acceptance of this Agreement, Seller will provide the following Disclosures and/or documents. **Check applicable boxes.**

☒ **Seller Real Property Disclosure Form:** (NRS 113.130) ☐ **Open Range Disclosure:** (NRS 113.065)

☐ **Construction Defect Claims Disclosure:** If Seller has marked "Yes" to Paragraph 1(d) of the Sellers Real Property Disclosure Form (NRS 40.688)

☒ **Lead-Based Paint Disclosure and Acknowledgment:** required if constructed before 1978 (24 CFR 745.113)

☐ **Other:** (list) _____.

12. FEDERAL FAIR HOUSING COMPLIANCE AND DISCLOSURES: All properties are offered without regard to race, color, religion, sex, national origin, age, gender identity or expression, familial status, sexual orientation, ancestry, or handicap and any other current requirements of federal or state fair housing laws.

13. WALK-THROUGH INSPECTION OF PROPERTY: Buyer is entitled under this Agreement to a walk-through of the Property within 3 calendar days prior to COE to ensure the Property and all major systems, appliances, heating/cooling, plumbing and electrical systems and mechanical fixtures are as stated in Seller's Real Property Disclosure Statement, and that the Property and improvements are in the same general condition as when this Agreement was Accepted by Seller and Buyer. To facilitate Buyer's walk-through, Seller is responsible for keeping all necessary utilities on, including all operable pilot lights. If any systems cannot be checked by Buyer on walk-through due to non-access or no power/gas/water, then Buyer reserves the right to hold Seller responsible for defects which could not be detected on walk-through because of lack of such access or power/gas/water. The purpose of the walk-through is to confirm (a) the Property is being maintained (b) repairs, if any, have been completed as agreed, and (c) Seller has complied with Seller's other obligations. **If Buyer elects not to conduct a walk-through inspection prior to COE, then all systems, items and aspects of the Property are deemed satisfactory, and Buyer releases Seller's liability for costs of any repair that would have reasonably been identified by a walk-through inspection, except as otherwise provided by law.**

14. DELIVERY OF POSSESSION: Seller shall deliver the Property along with any keys, alarm codes, garage door opener/controls and, if freely transferable, parking permits and gate transponders outside of Escrow, upon COE. Seller agrees to vacate the Property and leave the Property in a neat and orderly, broom-clean condition and tender possession no later than ☒**COE –OR–** ☐_____. In the event Seller does not vacate the Property by this time, Seller shall be considered a trespasser in addition to Buyer's other legal and equitable remedies. Any personal property left on the Property after the date indicated in this section shall be considered abandoned by Seller.

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

16. ASSIGNMENT OF THIS AGREEMENT: Unless otherwise stated herein, this Agreement is non-assignable unless agreed upon in writing by all parties.

17. CANCELLATION OF AGREEMENT: In the event this Agreement is properly cancelled in accordance with the terms contained herein, then Buyer will be entitled to a refund of the EMD. Neither Buyer nor Seller will be reimbursed for any expenses incurred in conjunction with due diligence, inspections, appraisals or any other matters pertaining to this transaction (unless otherwise provided herein or except as otherwise provided by law).

18. DEFAULT:

A. MEDIATION: Before any legal action is taken to enforce any term or condition under this Agreement, the parties agree to engage in mediation, a dispute resolution process, through GLVAR. Notwithstanding the foregoing, in the event the Buyer finds it necessary to file a claim for specific performance, this section shall not apply. Each party is encouraged to have an independent lawyer of their choice review this mediation provision before agreeing thereto. By initiating below, the parties confirm that they have read and understand this section and voluntarily agree to the provisions thereof.

BUYER(S) INITIALS: MZ / _____ **SELLER(S) INITIALS:** CW / _____

B. IF SELLER DEFAULTS: If Seller defaults in performance under this Agreement, Buyer reserves all legal and/or equitable rights (such as specific performance) against Seller, and Buyer may seek to recover Buyer's actual damages incurred by Buyer due to Seller's default.

C. IF BUYER DEFAULTS: If Buyer defaults in performance under this Agreement, as Seller's sole legal recourse, Seller may retain, as liquidated damages, the EMD. In this respect, the Parties agree that Seller's actual damages would be difficult to measure and that the EMD is in fact a reasonable estimate of the damages that Seller would suffer as a result of Buyer's default. Seller understands that any additional deposit not considered part of the EMD in Section 1(B) herein will be immediately released by ESCROW HOLDER to Buyer.

Instructions to Escrow

19. ESCROW: If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold ESCROW HOLDER free and harmless from any loss or expense, except losses or expenses as may arise from ESCROW HOLDER'S negligence or willful misconduct. If conflicting demands are made or notices served upon ESCROW HOLDER with respect to this Agreement, the parties expressly agree that Escrow is entitled to file a suit in interpleader and obtain an order from the Court authorizing ESCROW HOLDER to deposit all such documents and monies with the Court, and obtain an order from the Court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the entry of an order authorizing such Interpleader, ESCROW HOLDER shall be fully released and discharged from any obligations imposed upon it by this Agreement; and ESCROW HOLDER shall not be liable for the sufficiency or correctness as to form, manner, execution or validity of any instrument deposited with it, nor as to the identity, authority or rights of any person executing such instrument, nor for failure of Buyer or Seller to comply with any of the provisions of any agreement, contract or other instrument filed with ESCROW HOLDER or referred to herein. ESCROW HOLDER'S duties hereunder shall be limited to the safekeeping of all monies, instruments or other documents received by it as ESCROW HOLDER, and for their disposition in accordance with the terms of this Agreement. In the event an action is instituted in connection with this escrow, in which ESCROW HOLDER is named as a party or is otherwise compelled to make an appearance, all costs, expenses, attorney fees, and judgments ESCROW HOLDER may expend or incur in said action, shall be the responsibility of the parties hereto.

20. UNCLAIMED FUNDS: In the event that funds from this transaction remain in an account, held by ESCROW HOLDER, for such a period of time that they are deemed "abandoned" under the provisions of Chapter 120A of the Nevada Revised Statutes, ESCROW HOLDER is hereby authorized to impose a charge upon the dormant escrow account. Said charge shall be no less than $5.00 per month and may not exceed the highest rate of charge permitted by statute or regulation. ESCROW HOLDER is further authorized and directed to deduct the charge from the dormant escrow account for as long as the funds are held by ESCROW HOLDER.

Brokers

21. BROKER'S COMPENSATION/FEES: Buyer herein requires, and Seller agrees, as a condition of this Agreement, that Seller will pay Listing Broker and Buyer's Broker, who becomes by this clause a third party beneficiary to this Agreement, that certain sum and/or percentage of the Purchase Price (commission), that Seller, or Seller's Broker, offered for the procurement of ready, willing and able Buyer via the Multiple Listing Service, any other advertisement or written offer. Seller understands and agrees that if Seller defaults hereunder, Buyer's Broker, as a third-party beneficiary of this Agreement, has the right to pursue all legal recourse against Seller for any commission due. **In addition to any amount due to Buyer's Broker from Seller or Seller's Broker, Buyer ☐ will –OR– ☐ will not pay Buyer's Broker additional compensation in an amount determined between the Buyer and Buyer's Broker.**

22. WAIVER OF CLAIMS: Buyer and Seller agree that they are not relying upon any representations made by Brokers or Broker's agent. Buyer acknowledges that at COE, the Property will be sold AS-IS, WHERE-IS without any representations or warranties, unless expressly stated herein. Buyer agrees to satisfy himself/herself, as to the condition of the Property, prior to COE. Buyer acknowledges that any statements of acreage or square footage by Brokers are simply estimates, and Buyer agrees to make such measurements, as Buyer deems necessary, to ascertain actual acreage or square footage. Buyer waives all

claims against Brokers or their agents for (a) defects in the Property; (b) inaccurate estimates of acreage or square footage; (c) environmental waste or hazards on the Property; (d) the fact that the Property may be in a flood zone; (e) the Property's proximity to freeways, airports or other nuisances; (f) the zoning of the Property; (g) tax consequences; or (h) factors related to Buyer's failure to conduct walk-throughs or inspections. Buyer assumes full responsibility for the foregoing and agrees to conduct such tests, walk-throughs, inspections and research, as Buyer deems necessary. In any event, Broker's liability is limited, under any and all circumstances, to the amount of that Broker's commission/fee received in this transaction.

Other Matters

23. DEFINITIONS: **"Acceptance"** means the date that both parties have consented to a final, binding contract by affixing their signatures to this Agreement and all counteroffers and said Agreement and all counteroffers have been delivered to both parties pursuant to Section 24 herein. **"Agent"** means a licensee working under a Broker or licensees working under a developer. **"Agreement"** includes this document as well as all accepted counteroffers and addenda. **"Appraisal"** means a written appraisal or Notice of Value as required by any lending institution prepared by a licensed or certified professional. **"Bona Fide"** means genuine. **"Buyer"** means one or more individuals or the entity that intends to purchase the Property. **"Broker"** means the Nevada licensed real estate broker listed herein representing Seller and/or Buyer (and all real estate agents associated therewith). **"Business Day"** excludes Saturdays, Sundays, and legal holidays. **"Calendar Day"** means a calendar day from/to midnight unless otherwise specified. **"CFR"** means the Code of Federal Regulations. **"CIC"** means Common Interest Community (formerly known as "HOA" or homeowners associations). **"CIC Capital Contribution"** means a one-time non-administrative fee, cost or assessment charged by the CIC upon change of ownership. **"CIC Transfer Fees"** means the administrative service fee charged by a CIC to transfer ownership records. **"Close of Escrow (COE)"** means the time of recordation of the deed in Buyer's name. **"Default"** means the failure of a Party to observe or perform any of its material obligations under this Agreement. **"Delivered"** means personally delivered to Parties or respective Agents, transmitted by facsimile machine, electronic means, overnight delivery, or mailed by regular mail. **"Down Payment"** is the Purchase Price less loan amount(s). **"EMD"** means Buyer's earnest money deposit. **"Escrow Holder"** means the neutral party that will handle the closing. **"FHA"** is the U.S. Federal Housing Administration. **"GLVAR"** means the Greater Las Vegas Association of REALTORS®. **"Good Funds"** means an acceptable form of payment determined by ESCROW HOLDER in accordance with NRS 645A.171. **"IRC"** means the Internal Revenue Code (tax code). **"LID"** means Limited Improvement District. **"N/A"** means not applicable. **"NAC"** means Nevada Administrative Code. **"NRS"** means Nevada Revised Statues as Amended. **"Party"** or **"Parties"** means Buyer and Seller. **"PITI"** means principal, interest, taxes, and hazard insurance. **"PMI"** means private mortgage insurance. **"PST"** means Pacific Standard Time, and includes daylight savings time if in effect on the date specified. **"PTR"** means Preliminary Title Report. **"Property"** means the real property and any personal property included in the sale as provided herein. **"Receipt"** means delivery to the party or the party's agent. **"RPA"** means Residential Purchase Agreement. **"Seller"** means one or more individuals or the entity that is the owner of the Property. **"SID"** means Special Improvement District. **"Title Company"** means the company that will provide title insurance. **"USC"** is the United States Code. **"VA"** is the Veterans Administration.

24. SIGNATURES, DELIVERY, AND NOTICES:

A. This Agreement may be signed by the parties on more than one copy, which, when taken together, each signed copy shall be read as one complete form. This Agreement (and documents related to any resulting transaction) may be signed by the parties manually or digitally. Facsimile signatures may be accepted as original.

B. When a Party wishes to provide notice as required in this Agreement, such notice shall be sent regular mail, personal delivery, overnight delivery, by facsimile, and/or by electronic transmission to the Agent for that Party. The notification shall be effective when postmarked, received, faxed, delivery confirmed, and/or read receipt confirmed in the case of email. Delivery of all instruments or documents associated with this Agreement shall be delivered to the Agent for Seller or Buyer if represented. Any cancellation notice shall be contemporaneously delivered to Escrow in the same manner.

25. IRC 1031 EXCHANGE: Seller and/or Buyer may make this transaction part of an IRC 1031 exchange. The party electing to make this transaction part of an IRC 1031 exchange will pay all additional expenses associated therewith, at no cost to the other party. The other party agrees to execute any and all documents necessary to effectuate such an exchange.

26. OTHER ESSENTIAL TERMS: Time is of the essence. No change, modification or amendment of this Agreement

shall be valid or binding unless such change, modification or amendment shall be in writing and signed by each party. This Agreement will be binding upon the heirs, beneficiaries and devisees of the parties hereto. This Agreement is executed and intended to be performed in the State of Nevada, and the laws of that state shall govern its interpretation and effect. The parties agree that the county and state in which the Property is located is the appropriate forum for any action relating to this Agreement. Should any party hereto retain counsel for the purpose of initiating litigation to enforce or prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorney's fees and costs incurred by such prevailing party.

THIS IS A LEGALLY BINDING CONTRACT. All parties are advised to seek independent legal and tax advice to review the terms of this Agreement.

THIS FORM HAS BEEN APPROVED BY THE GREATER LAS VEGAS ASSOCIATION OF REALTORS® (GLVAR). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

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27. ADDENDUM(S) ATTACHED: _____

28. ADDITIONAL TERMS: _____

Buyer's Acknowledgement of Offer

Confirmation of Representation: The Buyer is represented in this transaction by:

Buyer's Broker: Joyce Nickrandt
Company Name: Investpro Realty
Broker's License Number: B0144660
Phone: 702-997-3832
Fax: 702-997-3836

Agent's Name: Liwei Helen Chen
Agent's License Number: S.0175520
Office Address: 3553 VALLEY VIEW BLVD
City, State, Zip: LAS VEGAS NV 89103
Email: helen0510c@gmail.com

BUYER LICENSEE DISCLOSURE OF INTEREST: Pursuant to NRS 645.252(1)(c), a real estate licensee must disclose if he/she is a principal in a transaction or has an interest in a principal to the transaction. Licensee declares that he/she:
X DOES NOT have an interest in a principal to the transaction. **–OR–**
___ **DOES** have the following interest, direct or indirect, in this transaction: ☐ Principal (Buyer) **–OR–** ☐ family or firm relationship with Buyer or ownership interest in Buyer (if Buyer is an entity): (specify relationship) _____.

Seller must respond by: 5 (☐AM☒PM) **on (month)** August, **(day)** 12, **(year)** 2017. **Unless this**

Agreement is accepted, rejected or countered below and delivered to the Buyer's Broker before the above date and time, this offer shall lapse and be of no further force and effect. Upon Acceptance, Buyer agrees to be bound by each provision of this Agreement, and all signed addenda, disclosures, and attachments.

Buyer's Signature	Buyer's Printed Name	Date	Time
Marie Zhu	Marie Zhu	08/11/2017	2:23 PM ☐AM ☐PM
			☐AM ☐PM

Seller's Response

Confirmation of Representation: The Seller is represented in this transaction by:

Seller's Broker: Joyce Nickrandt
Company Name: Investpro Realty
Broker's License Number:
Phone: 702-997-3832
Fax: 866-782-3075

Agent's Name: Kenny Lin
Agent's License Number: S.0172460
Office Address: 3553 Valley View Dr
City, State, Zip: Las Vegas NV 89103
Email: zhong.kenny@gmail.com

SELLER LICENSEE DISCLOSURE OF INTEREST: Pursuant to NRS 645.252(1)(c), a real estate licensee must disclose if he/she is a principal in a transaction or has an interest in a principal to the transaction. Licensee declares that he/she:

_X_ **DOES NOT** have an interest in a principal to the transaction. **–OR–**

___ **DOES** have the following interest, direct or indirect, in this transaction: ☐ Principal (Seller) **–OR–** ☐ family or firm relationship with Seller or ownership interest in Seller (if Seller is an entity): (specify relationship)

_____.

FIRPTA: If applicable (as designated in the Seller's Response herein), Seller agrees to complete, sign, and deliver to Buyer's FIRPTA Designee a certificate indicating whether Seller is a foreign person or a nonresident alien pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA). A foreign person is a nonresident alien individual; a foreign corporation not treated as a domestic corporation; or a foreign partnership, trust or estate. A resident alien is not considered a foreign person under FIRPTA. Additional information for determining status may be found at www.irs.gov. Buyer and Seller understand that if Seller is a foreign person then the Buyer must withhold a tax in an amount to be determined by Buyer's FIRPTA Designee in accordance with FIRPTA, unless an exemption applies. Seller agrees to sign and deliver to the Buyer's FIRPTA Designee the necessary documents, to be provided by the Buyer's FIRPTA Designee, to determine if withholding is required. (See 26 USC Section 1445).

SELLER DECLARES that he/she _X_ **is not** **–OR–** ___ **is** a foreign person therefore subjecting this transaction to FIRPTA withholding. **SELLER(S) INITIALS:** CW / _____

_X_ **ACCEPTANCE:** Seller(s) acknowledges that he/she accepts and agrees to be bound by each provision of this Agreement, and all signed addenda, disclosures, and attachments.

___ **COUNTER OFFER:** Seller accepts the terms of this Agreement subject to the attached Counter Offer #1.

___ **REJECTION:** In accordance with NAC 645.632, Seller hereby informs Buyer the offer presented herein **is not** accepted.

Seller's Signature	Seller's Printed Name	Date	Time
Authentisign 8/11/2017 10:24:09 PM PDT	TKNR Inc	08/11/2017	10:24 PM ☐AM ☐PM
			☐AM ☐PM

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

Buyer's Name: Marie Zhu
Property Address: 2132 HOUSTON DR

BUYER(S) INITIALS: MZ
SELLER(S) INITIALS: CW

EXHIBIT C

EXHIBIT C

InvestPro REALTY

SELLER'S REAL PROPERTY DISCLOSURE FORM

In accordance with Nevada Law, a seller of residential real property in Nevada must disclose any and all known conditions and aspects of the property which materially affect the value or use of residential property in an adverse manner *(see NRS 113.130 and 113.140).*

Date August 2nd, 2017

Do you currently occupy or have you ever occupied this property? YES ☐ NO ☒

Property address 2132 HOUSTON DR LASVEGAS NV 89104

Effective October 1, 2011: A purchaser may not waive the requirement to provide this form and a seller may not require a purchaser to waive this form. *(NRS 113.130(3))*

Type of Seller: ☐Bank (financial institution); ☐Asset Management Company; ☐Owner-occupier; ☒Other: Investor

Purpose of Statement: (1) This statement is a disclosure of the condition of the property in compliance with the Seller Real Property Disclosure Act, effective January 1, 1996. (2) This statement is a disclosure of the condition and information concerning the property known by the Seller which materially affects the value of the property. Unless otherwise advised, the Seller does not possess any expertise in construction, architecture, engineering or any other specific area related to the construction or condition of the improvements on the property or the land. Also, unless otherwise advised, the Seller has not conducted any inspection of generally inaccessible areas such as the foundation or roof. This statement is not a warranty of any kind by the Seller or by any Agent representing the Seller in this transaction and is not a substitute for any inspections or warranties the Buyer may wish to obtain. Systems and appliances addressed on this form by the seller are not part of the contractual agreement as to the inclusion of any system or appliance as part of the binding agreement.

Instructions to the Seller: (1) ANSWER ALL QUESTIONS. (2) REPORT KNOWN CONDITIONS AFFECTING THE PROPERTY. (3) ATTACH ADDITIONAL PAGES WITH YOUR SIGNATURE IF ADDITIONAL SPACE IS REQUIRED. (4) COMPLETE THIS FORM YOURSELF. (5) IF SOME ITEMS DO NOT APPLY TO YOUR PROPERTY, CHECK N/A (NOT APPLICABLE). EFFECTIVE JANUARY 1, 1996, FAILURE TO PROVIDE A PURCHASER WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE THE PURCHASER TO TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT AND SEEK OTHER REMEDIES AS PROVIDED BY THE LAW *(see NRS 113.150).*

Systems / Appliances: Are you aware of any problems and/or defects with any of the following:

	YES	NO	N/A
Electrical System	☐	☒	☐
Plumbing	☐	☒	☐
Sewer System & line	☐	☒	☐
Septic tank & leach field	☐	☐	☒
Well & pump	☐	☐	☒
Yard sprinkler system(s)	☐	☐	☒
Fountain(s)	☐	☐	☒
Heating system	☒	☐	☐
Cooling system	☒	☐	☐
Solar heating system	☐	☐	☒
Fireplace & chimney	☐	☐	☒
Wood burning system	☐	☐	☒
Garage door opener	☐	☐	☒
Water treatment system(s)	☐	☐	☒
owned.. ☐ leased.. ☐			
Water heater	☐	☒	☐
Toilet(s)	☐	☒	☐
Bathtub(s)	☐	☒	☐

	YES	NO	N/A
Shower(s)	☐	☒	☐
Sink(s)	☐	☒	☐
Sauna / hot tub(s)	☐	☐	☒
Built-in microwave	☐	☐	☒
Range / oven / hood-fan	☐	☐	☒
Dishwasher	☐	☒	☐
Garbage disposal	☐	☒	☐
Trash compactor	☐	☐	☒
Central vacuum	☐	☐	☒
Alarm system	☐	☐	☒
owned.. ☐ leased.. ☐			
Smoke detector	☐	☒	☐
Intercom	☐	☐	☒
Data Communication line(s)	☐	☐	☒
Satellite dish(es)	☐	☐	☒
owned.. ☐ leased.. ☐			
Other _____	☐	☐	☐

EXPLANATIONS: Any "Yes" must be fully explained on page 3 of this form.

_____ _____ [MZ] _____ _____

Seller(s) Initials *Buyer(s) Initials*

Property conditions, improvements and additional information: Are you aware of any of the following?:

	YES	NO	N/A
1. Structure:			
(a) Previous or current moisture conditions and/or water damage?	☐	☒	
(b) Any structural defect?	☐	☒	
(c) Any construction, modification, alterations, or repairs made without required state, city or county building permits?	☒	☒	
(d) Whether the property is or has been the subject of a claim governed by NRS 40.600 to 40.695 (construction defect claims)? (If seller answers yes, FURTHER DISCLOSURE IS REQUIRED)	☐	☒	
2. Land / Foundation:			
(a) Any of the improvements being located on unstable or expansive soil?	☐	☒	
(b) Any foundation sliding, settling, movement, upheaval, or earth stability problems that have occurred on the property?	☐	☒	
(c) Any drainage, flooding, water seepage, or high water table?	☐	☒	
(d) The property being located in a designated flood plain?	☐	☒	
(e) Whether the property is located next to or near any known future development?	☐	☒	
(f) Any encroachments, easements, zoning violations or nonconforming uses?	☐	☒	
(g) Is the property adjacent to "open range" land? (If seller answers yes, FURTHER DISCLOSURE IS REQUIRED under NRS 113.065)	☐	☒	
3. Roof: Any problems with the roof?	☐	☒	
4. Pool/spa: Any problems with structure, wall, liner, or equipment	☐	☒	
5. Infestation: Any history of infestation (termites, carpenter ants, etc.)?	☐	☒	☒
6. Environmental:			
(a) Any substances, materials, or products which may be an environmental hazard such as but not limited to, asbestos, radon gas, urea formaldehyde, fuel or chemical storage tanks, contaminated water or soil on the property?	☐	☒	
(b) Has property been the site of a crime involving the previous manufacture of Methamphetamine where the substances have not been removed from or remediated on the Property by a certified entity or has not been deemed safe for habitation by the Board of Heath?	☐	☒	
7. Fungi / Mold: Any previous or current fungus or mold?	☐	☒	
8. Any features of the property shared in common with adjoining landowners such as walls, fences, road, driveways or other features whose use or responsibility for maintenance may have an effect on the property?	☐	☒	
9. Common Interest Communities: Any "common areas" (facilities like pools, tennis courts, walkways or other areas co-owned with others) or a homeowner association which has any authority over the property?	☐	☒	
(a) Common Interest Community Declaration and Bylaws available?	☐	☒	
(b) Any periodic or recurring association fees?	☐	☒	
(c) Any unpaid assessments, fines or liens, and any warnings or notices that may give rise to an assessment, fine or lien?	☐	☒	
(d) Any litigation, arbitration, or mediation related to property or common area?	☐	☒	
(e) Any assessments associated with the property (excluding property taxes)?	☐	☒	
(f) Any construction, modification, alterations, or repairs made without required approval from the appropriate Common Interest Community board or committee?	☐	☒	
10. Any problems with water quality or water supply?	☐	☒	
11. Any other conditions or aspects of the property which materially affect its value or use in an adverse manner?	☐	☒	
12. Lead-Based Paint: Was the property constructed on or before 12/31/77? (If yes, additional Federal EPA notification and disclosure documents are required)	☒	☐	

13. Water source: Municipal ☒ Community Well ☐ Domestic Well ☐ Other ☐
If Community Well: State Engineer Well Permit # _____ Revocable ☐ Permanent ☐ Cancelled ☐
Use of community and domestic wells may be subject to change. Contact the Nevada Division of Water Resources for more information regarding the future use of this well.

14. Conservation Easements such as the SNWA's Water Smart Landscape Program: Is the property a participant?	☐	☒	
15. Solar panels: Are any installed on the property? If yes, are the solar panels: Owned...☐ Leased...☐ or Financed...☐	☐	☒	
16. Wastewater disposal: ☒ Municipal Sewer ☐ Septic System ☐ Other ☐			
17. This property is subject to a Private Transfer Fee Obligation?	☐	☒	

EXPLANATIONS: Any "Yes" must be fully explained on page 3 of this form.

CL / MZ

Seller(s) Initials *Buyer(s) Initials*

EXPLANATIONS: Any "Yes" to questions on pages 1 and 2 must be fully explained here. Attach additional pages if needed.

one of the unit has brand new kitchen cabinet installed
all 3 Units has brand new AC installed within 3 months.
all 3 bathrooms are realone within 2 years.
sprinkler for landscaping desn't work, all pipes are broken.
please consider that there are no sprinkler system.
AC units are installed by Licensed contractor, all other work are done by owner's handyman.
owner never reside in the property, and never visited the property.

Seller(s) Initials

MZ
Buyer(s) Initials

Buyers and sellers of residential property are advised to seek the advice of an attorney concerning their rights and obligations as set forth in Chapter 113 of the Nevada Revised Statutes regarding the seller's obligation to execute the Nevada Real Estate Division's approved "Seller's Real Property Disclosure Form". For your convenience, Chapter 113 of the Nevada Revised Statutes provides as follows:

CONDITION OF RESIDENTIAL PROPERTY OFFERED FOR SALE

NRS 113.100 Definitions. As used in NRS 113.100 to 113.150, inclusive, unless the context otherwise requires:

1. "Defect" means a condition that materially affects the value or use of residential property in an adverse manner.
2. "Disclosure form" means a form that complies with the regulations adopted pursuant to NRS 113.120.
3. "Dwelling unit" means any building, structure or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one person who maintains a household or by two or more persons who maintain a common household.
4. "Residential property" means any land in this state to which is affixed not less than one nor more than four dwelling units.
5. "Seller" means a person who sells or intends to sell any residential property.

(Added to NRS by 1995, 842; A 1999, 1446)

NRS 113.110 Conditions required for "conveyance of property" and to complete service of document. For the purposes of NRS 113.100 to 113.150, inclusive:

1. A "conveyance of property" occurs:
   (a) Upon the closure of any escrow opened for the conveyance; or
   (b) If an escrow has not been opened for the conveyance, when the purchaser of the property receives the deed of conveyance.
2. Service of a document is complete:
   (a) Upon personal delivery of the document to the person being served; or
   (b) Three days after the document is mailed, postage prepaid, to the person being served at his last known address.

(Added to NRS by 1995, 844)

NRS 113.120 Regulations prescribing format and contents of form for disclosing condition of property. The Real Estate Division of the Department of Business and Industry shall adopt regulations prescribing the format and contents of a form for disclosing the condition of residential property offered for sale. The regulations must ensure that the form:

1. Provides for an evaluation of the condition of any electrical, heating, cooling, plumbing and sewer systems on the property, and of the condition of any other aspects of the property which affect its use or value, and allows the seller of the property to indicate whether or not each of those systems and other aspects of the property has a defect of which the seller is aware.
2. Provides notice:
   (a) Of the provisions of NRS 113.140 and subsection 5 of NRS 113.150.
   (b) That the disclosures set forth in the form are made by the seller and not by his agent.
   (c) That the seller's agent, and the agent of the purchaser or potential purchaser of the residential property, may reveal the completed form and its contents to any purchaser or potential purchaser of the residential property.

(Added to NRS by 1995, 842)

NRS 113.130 Completion and service of disclosure form before conveyance of property; discovery or worsening of defect after service of form; exceptions; waiver.

1. Except as otherwise provided in subsection 2:
   (a) At least 10 days before residential property is conveyed to a purchaser:
      (1) The seller shall complete a disclosure form regarding the residential property; and
      (2) The seller or the seller's agent shall serve the purchaser or the purchaser's agent with the completed disclosure form.
   (b) If, after service of the completed disclosure form but before conveyance of the property to the purchaser, a seller or the seller's agent discovers a new defect in the residential property that was not identified on the completed disclosure form or discovers that a defect identified on the completed disclosure form has become worse than was indicated on the form, the seller or the seller's agent shall inform the purchaser or the purchaser's agent of that fact, in writing, as soon as practicable after the discovery of that fact but in no event later than the conveyance of the property to the purchaser. If the seller does not agree to repair or replace the defect, the purchaser may:
      (1) Rescind the agreement to purchase the property; or
      (2) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.
2. Subsection 1 does not apply to a sale or intended sale of residential property:
   (a) By foreclosure pursuant to chapter 107 of NRS.
   (b) Between any co-owners of the property, spouses or persons related within the third degree of consanguinity.
   (c) Which is the first sale of a residence that was constructed by a licensed contractor.
   (d) By a person who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who relocates to another county, state or country before title to the property is transferred to a purchaser.
3. A purchaser of residential property may not waive any of the requirements of subsection 1. A seller of residential property may not require a purchaser to waive any of the requirements of subsection 1 as a condition of sale or for any other purpose.
4. If a sale or intended sale of residential property is exempted from the requirements of subsection 1 pursuant to paragraph (a) of subsection 2, the trustee and the beneficiary of the deed of trust shall, not later than at the time of the conveyance of the property to the purchaser of the residential property, or upon the request of the purchaser of the residential property, provide:
   (a) Written notice to the purchaser of any defects in the property of which the trustee or beneficiary, respectively, is aware; and
   (b) If any defects are repaired or replaced or attempted to be repaired or replaced, the contact information of any asset management company who provided asset management services for the property. The asset management company shall provide a service report to the purchaser upon request.
5. As used in this section:
   (a) "Seller" includes, without limitation, a client as defined in NRS 645H.060.
   (b) "Service report" has the meaning ascribed to it in NRS 645H.150.

(Added to NRS by 1995, 842; A 1997, 349; 2003, 1339; 2005, 598; 2011, 2832)

_____ _____
Seller(s) Initials

MZ _____
Buyer(s) Initials

NRS 113.135 Certain sellers to provide copies of certain provisions of NRS and give notice of certain soil reports; initial purchaser entitled to rescind sales agreement in certain circumstances; waiver of right to rescind.

1. Upon signing a sales agreement with the initial purchaser of residential property that was not occupied by the purchaser for more than 120 days after substantial completion of the construction of the residential property, the seller shall:

(a) Provide to the initial purchaser a copy of NRS 11.202 to 11.206, inclusive, and 40.600 to 40.695, inclusive;

(b) Notify the initial purchaser of any soil report prepared for the residential property or for the subdivision in which the residential property is located; and

(c) If requested in writing by the initial purchaser not later than 5 days after signing the sales agreement, provide to the purchaser without cost each report described in paragraph (b) not later than 5 days after the seller receives the written request.

2. Not later than 20 days after receipt of all reports pursuant to paragraph (c) of subsection 1, the initial purchaser may rescind the sales agreement.

3. The initial purchaser may waive his right to rescind the sales agreement pursuant to subsection 2. Such a waiver is effective only if it is made in a written document that is signed by the purchaser.

(Added to NRS by 1999, 1446)

NRS 113.140 Disclosure of unknown defect not required; form does not constitute warranty; duty of buyer and prospective buyer to exercise reasonable care.

1. NRS 113.130 does not require a seller to disclose a defect in residential property of which he is not aware.

2. A completed disclosure form does not constitute an express or implied warranty regarding any condition of residential property.

3. Neither this chapter nor chapter 645 of NRS relieves a buyer or prospective buyer of the duty to exercise reasonable care to protect himself.

(Added to NRS by 1995, 843; A 2001, 2896)

NRS 113.150 Remedies for seller's delayed disclosure or nondisclosure of defects in property; waiver.

1. If a seller or the seller's agent fails to serve a completed disclosure form in accordance with the requirements of NRS 113.130, the purchaser may, at any time before the conveyance of the property to the purchaser, rescind the agreement to purchase the property without any penalties.

2. If, before the conveyance of the property to the purchaser, a seller or the seller's agent informs the purchaser or the purchaser's agent, through the disclosure form or another written notice, of a defect in the property of which the cost of repair or replacement was not limited by provisions in the agreement to purchase the property, the purchaser may:

(a) Rescind the agreement to purchase the property at any time before the conveyance of the property to the purchaser; or

(b) Close escrow and accept the property with the defect as revealed by the seller or the seller's agent without further recourse.

3. Rescission of an agreement pursuant to subsection 2 is effective only if made in writing, notarized and served not later than 4 working days after the date on which the purchaser is informed of the defect:

(a) On the holder of any escrow opened for the conveyance; or

(b) If an escrow has not been opened for the conveyance, on the seller or the seller's agent.

4. Except as otherwise provided in subsection 5, if a seller conveys residential property to a purchaser without complying with the requirements of NRS 113.130 or otherwise providing the purchaser or the purchaser's agent with written notice of all defects in the property of which the seller is aware, and there is a defect in the property of which the seller was aware before the property was conveyed to the purchaser and of which the cost of repair or replacement was not limited by provisions in the agreement to purchase the property, the purchaser is entitled to recover from the seller treble the amount necessary to repair or replace the defective part of the property, together with court costs and reasonable attorney's fees. An action to enforce the provisions of this subsection must be commenced not later than 1 year after the purchaser discovers or reasonably should have discovered the defect or 2 years after the conveyance of the property to the purchaser, whichever occurs later.

5. A purchaser may not recover damages from a seller pursuant to subsection 4 on the basis of an error or omission in the disclosure form that was caused by the seller's reliance upon information provided to the seller by:

(a) An officer or employee of this State or any political subdivision of this State in the ordinary course of his or her duties; or

(b) A contractor, engineer, land surveyor, certified inspector as defined in NRS 645D.040 or pesticide applicator, who was authorized to practice that profession in this State at the time the information was provided.

6. A purchaser of residential property may waive any of his or her rights under this section. Any such waiver is effective only if it is made in a written document that is signed by the purchaser and notarized.

(Added to NRS by 1995, 843; A 1997, 350, 1797)

The above information provided on pages one (1), two (2) and three (3) of this disclosure form is true and correct to the best of seller's knowledge as of the date set forth on page one (1). **SELLER HAS DUTY TO DISCLOSE TO BUYER AS NEW DEFECTS ARE DISCOVERED AND/OR KNOWN DEFECTS BECOME WORSE** ***(See NRS 113.130(1)(b)).***

Seller(s): T K N R Inc Date: 8/7/17

Seller(s): Date: 8/7/17

BUYER MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS OF THE PROPERTY TO MORE FULLY DETERMINE THE CONDITION OF THE PROPERTY AND ITS ENVIRONMENTAL STATUS. Buyer(s) has/have read and acknowledge(s) receipt of a copy of this Seller's Real Property Disclosure Form and copy of NRS Chapter 113.100-150, inclusive, attached hereto as pages four (4) and five (5).

Buyer(s): Authentisign Marie Zhu 8/21/2017 7:26:20 PM PDT Date: 08/21/2017

Buyer(s): Date:

EXHIBIT D

EXHIBIT D

Gmail **K L <zhong.kenny@gmail.com>**

Fwd: 2132 Houston Dr

2 messages

Helen Chen <helen0510c@gmail.com> Thu, Dec 20, 2018 at 10:59 AM
To: Joyce Nickranbt <investprocommercial@gmail.com>
Cc: Kenny Lin <zhong.kenny@gmail.com>

---------- Forwarded message ---------
From: **Helen Chen** <helen0510c@gmail.com>
Date: Tue, Sep 5, 2017 at 3:43 PM
Subject: 2132 Houston Dr
To: <frankmiao@yahoo.com>, Michael Perry <swf.mperry@gmail.com>

Hi Frank and Marie,
Please note that seller agree the rest of terms and request to add the below term on the contract:
"Buyer agree to pay the difference in cash if appraisal come in lower than purchase price, not to exceed purchase price of $200k"

I just send you the docs, please review and sign if you are agree. Thank you!
(Per buyer's request will waive licensed home inspector to do the home inspection)

Sincerely,

InvestPro REALTY 恆興地產
Helen Chen
Cell: 702-970-7777
Office: 702-997-3832
Email: helen0510c@gmail.com
3553 S. Valley View Blvd
Las Vegas, NV 89103
www.investprorealty.net

EQUAL HOUSING OPPORTUNITY

Helen Chen <helen0510c@gmail.com> Thu, Dec 20, 2018 at 10:59 AM
To: Joyce Nickranbt <investprocommercial@gmail.com>
Cc: Kenny Lin <zhong.kenny@gmail.com>

---------- Forwarded message ---------
From: **Helen Chen** <helen0510c@gmail.com>
Date: Tue, Sep 5, 2017 at 5:07 PM
Subject: Re: 2132 Houston Dr
To: <frankmiao@yahoo.com>, Michael Perry <swf.mperry@gmail.com>

Hi Michael,
Please see attached executed cancellation addendum and new purchase agreement. Thank you!

Sincerely,

Helen Chen
Cell: 702-970-7777
Office: 702-997-3832
Email: helen0510c@gmail.com
3553 S. Valley View Blvd
Las Vegas, NV 89103
www.investprorealty.net

On Tue, Sep 5, 2017 at 3:43 PM, Helen Chen <helen0510c@gmail.com> wrote:

> Hi Frank and Marie,
> Please note that seller agree the rest of terms and request to add the below term on the contract:
> "Buyer agree to pay the difference in cash if appraisal come in lower than purchase price, not to exceed purchase price of $200k"
>
> I just send you the docs, please review and sign if you are agree. Thank you!
> (Per buyer's request will waive licensed home inspector to do the home inspection)
>
> Sincerely,
>
> **Helen Chen**
> Cell: 702-970-7777
> Office: 702-997-3832
> Email: helen0510c@gmail.com
> 3553 S. Valley View Blvd
> Las Vegas, NV 89103
> www.investprorealty.net

2 attachments

Cancellation Addendum.pdf
159K

New Residential_Purchase_Agreement__Rev_06_17_.pdf
628K

EXHIBIT E

EXHIBIT E

InvestPro REALTY

ADDENDUM NO. 1
TO PURCHASE AGREEMENT

REALTOR® EQUAL HOUSING OPPORTUNITY

In reference to the Purchase Agreement executed by Marie Zhu as Buyer(s) and TKNR INC as Seller(s), dated 08/11/17 covering the real property at 2132 HOUSTON DR LASVEGAS NV 89104, the ☒ Buyer ☐ Seller hereby proposes that the Purchase Agreement be amended as follows:

1. Buyer and Seller both agree to cancel purchase agreement and cancel escrow immediately.
2. Buyer to release EMD to seller immediately.

☐ **ADDITIONAL PAGE(S) ATTACHED. This Addendum is not complete without the additional terms on the attached _____ page(s).**

When executed by both parties, this Addendum is made an integral part of the aforementioned Purchase Agreement.

WHEN PROPERLY COMPLETED, THIS IS A BINDING CONTRACT. IF YOU DO NOT FULLY UNDERSTAND ITS CONTENTS, YOU SHOULD SEEK COMPETENT LEGAL COUNSEL BEFORE SIGNING.

Authentisign Marie Zhu — 09/05/2017
9/5/2017 4:04:24 PM PDT
☒ Buyer ☐ Seller — Date

☐ Buyer ☐ Seller — Time

Acceptance:

Authentisign
9/5/2017 4:52:31 PM PDT
☐ Buyer ☒ Seller — 09/05/2017 Date

☐ Buyer ☐ Seller — 4:52 PM Time

Prepared by: Liwei Helen Chen — Agent's Printed Name — Phone

EXHIBIT F

EXHIBIT F

REALTOR

InvestPro REALTY

EQUAL HOUSING OPPORTUNITY

RESIDENTIAL PURCHASE AGREEMENT

(Joint Escrow Instructions)

Date: 09/05/17

Marie Zhu ("Buyer"), hereby offers to purchase 2132 HOUSTON DR ("Property"), within the city or unincorporated area of LASVEGAS, County of CLARK, State of Nevada, Zip 89104, A.P.N. # 162-01-110-017 for the purchase price of $ 200,000.00 (Two Hundred Thousand dollars) ("Purchase Price") on the terms and conditions contained herein: BUYER ☐ does –OR– ☒ does not intend to occupy the Property as a residence.

Buyer's Offer

1. FINANCIAL TERMS & CONDITIONS:

$ 500.00 **A. EARNEST MONEY DEPOSIT** ("EMD") is ☐ presented with this offer –OR– ☒ will wire to escrow upon acceptance. Upon Acceptance, Earnest Money to be deposited within one (1) business day from acceptance of offer (as defined in Section 23 herein) or 2 business days if wired to: ☒ Escrow Holder, ☐ Buyer's Broker's Trust Account, –OR– ☐ Seller's Broker's Trust Account. *(NOTE: It is a felony in the State of Nevada—punishable by up to four years in prison and a $5,000 fine—to write a check for which there are insufficient funds. NRS 193.130(2)(d).)*

$ 0.00 **B. ADDITIONAL DEPOSIT** to be placed in escrow on or before (date) _____. The additional deposit ☐ will –OR– ☐ will not be considered part of the EMD. (Any conditions on the additional deposit should be set forth in Section 28 herein.)

$ 150,000.00 **C. THIS AGREEMENT IS CONTINGENT UPON BUYER QUALIFYING FOR A NEW LOAN:** ☒ Conventional, ☐ FHA, ☐ VA, ☐ Other (specify) _____.

$ 0.00 **D. THIS AGREEMENT IS CONTINGENT UPON BUYER QUALIFYING TO ASSUME THE FOLLOWING EXISTING LOAN(S):** ☐ Conventional, ☐ FHA, ☐ VA, ☐ Other (specify) _____. Interest: ☐ Fixed rate, _____ years – OR – ☐ Adjustable Rate, _____ years. Seller further agrees to provide the Promissory Note and the most recent monthly statement of all loans to be assumed by Buyer within FIVE (5) calendar days of acceptance of offer.

$ 0.00 **E. BUYER TO EXECUTE A PROMISSORY NOTE SECURED BY DEED OF TRUST PER TERMS IN"FINANCING ADDENDUM" which is attached hereto.**

$ 49,500.00 **F. BALANCE OF PURCHASE PRICE** (Balance of Down Payment) in Good Funds to be paid prior to Close of Escrow ("COE").

$ 200,000.00 **G. TOTAL PURCHASE PRICE.** (This price DOES NOT include closing costs, prorations, or other fees and costs associated with the purchase of the Property as defined herein.)

2. ADDITIONAL FINANCIAL TERMS & CONTINGENCIES:

A. **NEW LOAN APPLICATION:** Within 2 business days of Acceptance, Buyer agrees to (1) submit a

completed loan application to a lender of Buyer's choice and (2) furnish a preapproval letter to Seller based upon a standard factual credit report and review of debt to income ratios. If Buyer fails to complete any of these conditions within the applicable time frame, Seller reserves the right to terminate this Agreement. In such event, both parties agree to cancel the escrow and return EMD to Buyer. Buyer shall use Buyer's best efforts to obtain financing under the terms and conditions outlined in this Agreement.

B. APPRAISAL CONTINGENCY: Buyer's obligation to purchase the property is contingent upon the property appraising for not less than the Purchase Price. If after the completion of an appraisal by a licensed appraiser, Buyer receives written notice from the lender or the appraiser that the Property has appraised for less than the purchase price (a "Notice of Appraised Value") Buyer may attempt to renegotiate or cancel the RPA by providing written notice to the Seller (with a copy of the Appraisal) no later than 7 calendar days after Acceptance of the RPA; whereupon the EMD shall be released to the Buyer without the requirement of written authorization from Seller. **IF this Residential Purchase Agreement is not cancelled, in writing on or before the Appraisal Deadline, Buyer shall be deemed to have waived the appraisal contingency.**

C. LOAN CONTINGENCY: Buyer's obligation to purchase the property is contingent upon Buyer obtaining the loan referenced in Section 1(C) or 1(D) of the RPA unless otherwise agreed in writing. Buyer shall remove the loan contingency in writing, attempt to renegotiate, or cancel the RPA by providing written notice to the Seller no later than 0 calendar days after Acceptance of the RPA; whereupon the EMD shall be released to the Buyer without the requirement of written authorization from Seller. **IF this Residential Purchase Agreement is not cancelled, in writing on or before the Loan Contingency Deadline, Buyer shall be deemed to have waived the loan contingency.**

D. CASH PURCHASE: Within n/a business days of Acceptance, Buyer agrees to provide written evidence from a bona fide financial institution of sufficient cash available to complete this purchase. If Buyer does not submit the written evidence within the above period, Seller reserves the right to terminate this Agreement.

3. SALE OF OTHER PROPERTY: This Agreement ☒ **is not** –OR– ☐ **is** contingent upon the sale (and closing) of another property which address is _____.
Said Property ☐ **is** ☒ **is not currently listed** –OR-☐ **is** presently in escrow with _____.
Escrow Number: _____. Proposed Closing Date: _____.

When Buyer has accepted an offer on the sale of this other property, Buyer will promptly deliver a written notice of the sale to Seller. If Buyer's escrow on this other property is terminated, abandoned, or does not close on time, this Agreement will terminate without further notice unless the parties agree otherwise in writing. If Seller accepts a bona fide written offer from a third party prior to Buyer's delivery of notice of acceptance of an offer on the sale of Buyer's property, Seller shall give Buyer written notice of that fact. Within three (3) calendar days of receipt of the notice, Buyer will waive the contingency of the sale and closing of Buyer's other property, or this Agreement will terminate without further notice. In order to be effective, the waiver of contingency must be accompanied by reasonable evidence that funds needed to close escrow will be available and Buyer's ability to obtain financing is not contingent upon the sale and/or close of any other property.

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

The following additional items of personal property: _____

_____

5. ESCROW:

A. OPENING OF ESCROW: The purchase of the Property shall be consummated through Escrow ("Escrow"). Opening of Escrow shall take place by the end of one (1) business day after Acceptance of this Agreement

("Opening of Escrow"), at National Title title or escrow company ("Escrow Company" or "ESCROW HOLDER") with Lynnette Marrujo ("Escrow Officer") (or such other escrow officer as Escrow Company may assign). Opening of Escrow shall occur upon Escrow Company's receipt of this fully accepted Agreement. ESCROW HOLDER is instructed to notify the Parties (through their respective Agents) of the opening date and the Escrow Number.

B. EARNEST MONEY: Upon Acceptance, Buyer's EMD as shown in Section 1(A), and 1(B) if applicable, of this Agreement, shall be deposited pursuant to the language in Section 1(A) and 1(B) if applicable.

C. CLOSE OF ESCROW: Close of Escrow ("COE") shall be on or before: 09/22/17 (date). If the designated date falls on a weekend or holiday, COE shall be the next business day.

D. IRS DISCLOSURE: Seller is hereby made aware that there is a regulation that requires all ESCROW HOLDERS to complete a modified 1099 form, based upon specific information known only between parties in this transaction and the ESCROW HOLDER. Seller is also made aware that ESCROW HOLDER is required by federal law to provide this information to the Internal Revenue Service after COE in the manner prescribed by federal law.

6. TITLE INSURANCE: This Purchase Agreement is contingent upon the Seller's ability to deliver, good and marketable title as evidenced by a policy of title insurance, naming Buyer as the insured in an amount equal to the purchase price, furnished by the title company identified in Section 5(A). Said policy shall be in the form necessary to effectuate marketable title or its equivalent and shall be paid for as set forth in Section 8(A).

7. BUYER'S DUE DILIGENCE: Buyer's obligation **is** ____ **is not** __X__ conditioned on the Buyer's Due Diligence as defined in this section 7(A) below. This condition is referred to as the "Due Diligence Condition" if checked in the affirmative, Sections 7 (A) through (C) shall apply; otherwise they do not. Buyer shall have 0 calendar days from Acceptance (as defined in Section 23 herein) to complete Buyer's Due Diligence. Seller agrees to cooperate with Buyer's Due Diligence. **Seller shall ensure that all necessary utilities (gas, power and water) and all operable pilot lights are on for Buyer's investigations and through the close of escrow.**

A. PROPERTY INSPECTION/CONDITION: During the Due Diligence Period, Buyer shall take such action as Buyer deems necessary to determine whether the Property is satisfactory to Buyer including, but not limited to, whether the Property is insurable to Buyer's satisfaction, whether there are unsatisfactory conditions surrounding or otherwise affecting the Property (such as location of flood zones, airport noise, noxious fumes or odors, environmental substances or hazards, whether the Property is properly zoned, locality to freeways, railroads, places of worship, schools, etc.) or any other concerns Buyer may have related to the Property. During such Period, Buyer shall have the right to conduct, non-invasive/ non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals. Seller agrees to provide reasonable access to the Property to Buyer and Buyer's inspectors. Buyer agrees to indemnify and hold Seller harmless with respect to any injuries suffered by Buyer or third parties present at Buyer's request while on Seller's Property conducting such inspections, tests or walk-throughs. Buyer's indemnity shall not apply to any injuries suffered by Buyer or third parties present at Buyer's request that are the result of an intentional tort, gross negligence or any misconduct or omission by Seller, Seller's Agent or other third parties on the Property. Buyer is advised to consult with appropriate professionals regarding neighborhood or Property conditions, including but not limited to: schools; proximity and adequacy of law enforcement; proximity to commercial, industrial, or agricultural activities; crime statistics; fire protection; other governmental services; existing and proposed transportation; construction and development; noise or odor from any source; and other nuisances, hazards or circumstances. If Buyer cancels this Agreement due to a specific inspection report, Buyer shall provide Seller at the time of cancellation with a copy of the report containing the name, address, and telephone number of the inspector.

B. BUYER'S RIGHT TO CANCEL OR RESOLVE OBJECTIONS: If Buyer determines, in Buyer's sole discretion, that the results of the Due Diligence are unacceptable, Buyer may either: (i) no later than the Due Diligence Deadline referenced in Section 7, cancel the Residential Purchase Agreement by providing written notice to the Seller, whereupon the Earnest Money Deposit referenced in Section 1(A) shall be released to the Buyer without the requirement of further written authorization from Seller; or (ii) no later than the Due Diligence Deadline referenced in Section 7, resolve in

writing with Seller any objections Buyer has arising from Buyer's Due Diligence.

C. FAILURE TO CANCEL OR RESOLVE OBJECTIONS: If Buyer fails to cancel the Residential Purchase Agreement or fails to resolve in writing with Seller any objections Buyer has arising from Buyer's Due Diligence, as provided in Section 7, **Buyer shall be deemed to have waived the Due Diligence Condition.**

MZ **Buyer's Initials** _____ **Buyer's Initials**

D. INSPECTIONS: Acceptance of this offer is subject to the following reserved right. Buyer may have the Property inspected and select the licensed contractors, certified building inspectors and/or other qualified professionals who will inspect the Property. Seller will ensure that necessary utilities (gas, power and water and all operable pilot lights) are turned on and supplied to the Property within two (2) business days after Acceptance of this Agreement, to remain on until COE. *It is strongly recommended that Buyer retain licensed Nevada professionals to conduct inspections.* If any inspection is not completed and requested repairs are not delivered to Seller within the Due Diligence Period, Buyer is deemed to have waived the right to that inspection and Seller's liability for the cost of all repairs that inspection would have reasonably identified had it been conducted, except as otherwise provided by law. The foregoing expenses for inspections will be paid outside of Escrow unless the Parties present instructions to the contrary prior to COE, along with the applicable invoice.

(Identify which party shall pay for the inspection noted below either: SELLER, BUYER, 50/50, WAIVED or N/A.)

Type	Paid By	Type	Paid By	Type	Paid By
Energy Audit	Waived	Fungal Contaminant Inspection	Waived	Well Inspection (Quantity)	N/A
Home Inspection	Buyer	Mechanical Inspection	Waived	Well Inspection (Quality)	N/A
Termite/Pest Inspection	Waived	Pool/Spa Inspection	N/A	Wood-Burning Device/ Chimney Inspection	N/A
Roof Inspection	Waived	Soils Inspection	Waived	Septic Inspection	N/A
Septic Lid Removal	Waived	Septic Pumping	N/A	Structural Inspection	Waived
Survey (type):	N/A	Other:		Other:	

E. CERTIFICATIONS: In the event an inspection reveals areas of concern with the roof, septic system, well, wood burning device/chimney or the possible presence of a fungal contaminant, Buyer reserves the right to require a certification. The expenses for certifications will be paid outside of Escrow unless the Parties present instructions to the contrary prior to COE (along with the applicable invoice). A certification is not a warranty.

F. BUYER'S REQUEST FOR REPAIRS: It is Buyer's responsibility to inspect the Property sufficiently as to satisfy Buyer's use. Buyer reserves the right to request repairs, based upon the Seller's Real Property Disclosure or items which materially affect value or use of the Property revealed by an inspection, certification or appraisal. Items of a general maintenance or cosmetic nature which do not materially affect value or use of the Property, which existed at the time of Acceptance and which are not expressly addressed in this Agreement are deemed accepted by the Buyer, except as otherwise provided in this Agreement. The Brokers herein have no responsibility to assist in the payment of any repair, correction or deferred maintenance on the Property which may have been revealed by the above inspections, agreed upon by the Buyer and Seller or requested by one party.

8. FEES, AND PRORATIONS (Identify which party shall pay the costs noted below either: SELLER, BUYER, 50/50, WAIVED or N/A.)

A. TITLE, ESCROW & APPRAISAL FEES:

Type	Paid By	Type	Paid By	Type	Paid By
Escrow Fees	50/50	Lender's Title Policy	Buyer	Owner's Title Policy	Seller
Real Property Transfer Tax	Seller	Appraisal	Buyer	Other:	

B. PRORATIONS: Any and all rents, taxes, interest, homeowner association fees, trash service fees, payments on bonds, SIDs, LIDs, and assessments assumed by the Buyer, and other expenses of the property shall be prorated as of the date of the recordation of the deed. Security deposits, advance rentals or considerations involving future lease credits shall be

credited to the Buyer. All prorations will be based on a 30-day month and will be calculated as of COE. Prorations will be based upon figures available at closing. Any supplementals or adjustments that occur after COE will be handled by the parties outside of Escrow.

C. PRELIMINARY TITLE REPORT: Within ten (10) business days of Opening of Escrow, Title Company shall provide Buyer with a Preliminary Title Report ("PTR") to review, which must be approved or rejected within five (5) business days of receipt thereof. If Buyer does not object to the PTR within the period specified above, the PTR shall be deemed accepted. If Buyer makes an objection to any item(s) contained within the PTR, Seller shall have five (5) business days after receipt of objections to correct or address the objections. If, within the time specified, Seller fails to have each such exception removed or to correct each such objection, Buyer shall have the option to: (a) terminate this Agreement by providing notice to Seller and Escrow Officer, entitling Buyer to a refund of the EMD or (b) elect to accept title to the Property as is. All title exceptions approved or deemed accepted are hereafter collectively referred to as the "Permitted Exceptions."

D. LENDER AND CLOSING FEES: In addition to Seller's expenses identified herein, Seller will contribute $\$$ 5000 to Buyer's Lender's Fees and/or Buyer's Title and Escrow Fees ☒ **including** –OR– ☐ **excluding** costs which Seller must pay pursuant to loan program requirements. Different loan types (e.g., FHA, VA, conventional) have different appraisal and financing requirements, which will affect the parties' rights and costs under this Agreement.

E. HOME PROTECTION PLAN: Buyer and Seller acknowledge that they have been made aware of Home Protection Plans that provide coverage to Buyer after COE. **Buyer** ☒ **waives** –OR– ☐ **requires** a Home Protection Plan with N/A. ☒ **Seller** –OR– ☐ **Buyer** will pay for the Home Protection Plan at a price not to exceed $\$$ 0. **Buyer** will order the Home Protection Plan. Neither Seller nor Brokers make any representation as to the extent of coverage or deductibles of such plans.

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

10. COMMON-INTEREST COMMUNITIES: If the Property is subject to a Common Interest Community ("CIC"), **Seller shall provide AT SELLER's EXPENSE the CIC documents as required by NRS 116.4109** (collectively, the "resale package"). Seller shall request the resale package within two (2) business days of Acceptance and provide the same to Buyer within one (1) business day of Seller's receipt thereof.

- **Pursuant to NRS 116.4109, Buyer may cancel this Agreement without penalty until midnight of the fifth (5th) calendar day following the date of receipt of the resale package.** If Buyer elects to cancel this Agreement pursuant to this statute, he/she must deliver, via hand delivery, prepaid U.S. mail, or electronic transmission, a written notice of cancellation to Seller or his or her authorized agent.
- **If Buyer does not receive the resale package within fifteen (15) calendar days of Acceptance, this Agreement may be cancelled in full by Buyer without penalty.** Notice of cancellation shall be delivered pursuant to Section 24 of the RPA.
- Upon such written cancellation, Buyer shall promptly receive a refund of the EMD. The parties agree to execute any documents requested by ESCROW HOLDER to facilitate the refund. If written cancellation is not received within the specified time period, the resale package will be deemed approved. Seller shall pay all outstanding CIC fines or penalties at COE.

A. CIC RELATED EXPENSES: (Identify which party shall pay the costs noted below either: SELLER, BUYER, 50/50, WAIVED or N/A.)

Type	Paid By	Type	Paid By	Type	Paid By
CIC Demand	Seller	CIC Capital Contribution	Seller	CIC Transfer Fees	Seller
Other: _____					

11. DISCLOSURES: Within five (5) calendar days of Acceptance of this Agreement, Seller will provide the following Disclosures and/or documents. **Check applicable boxes.**

☒ **Seller Real Property Disclosure Form:** (NRS 113.130) ☐ **Open Range Disclosure:** (NRS 113.065)

☐ **Construction Defect Claims Disclosure:** If Seller has marked "Yes" to Paragraph 1(d) of the Sellers Real Property Disclosure Form (NRS 40.688)

☒ **Lead-Based Paint Disclosure and Acknowledgment:** required if constructed before 1978 (24 CFR 745.113)

☐ **Other:** (list) _____.

12. FEDERAL FAIR HOUSING COMPLIANCE AND DISCLOSURES: All properties are offered without regard to race, color, religion, sex, national origin, age, gender identity or expression, familial status, sexual orientation, ancestry, or handicap and any other current requirements of federal or state fair housing laws.

13. WALK-THROUGH INSPECTION OF PROPERTY: Buyer is entitled under this Agreement to a walk-through of the Property within 3 calendar days prior to COE to ensure the Property and all major systems, appliances, heating/cooling, plumbing and electrical systems and mechanical fixtures are as stated in Seller's Real Property Disclosure Statement, and that the Property and improvements are in the same general condition as when this Agreement was Accepted by Seller and Buyer. To facilitate Buyer's walk-through, Seller is responsible for keeping all necessary utilities on, including all operable pilot lights. If any systems cannot be checked by Buyer on walk-through due to non-access or no power/gas/water, then Buyer reserves the right to hold Seller responsible for defects which could not be detected on walk-through because of lack of such access or power/gas/water. The purpose of the walk-through is to confirm (a) the Property is being maintained (b) repairs, if any, have been completed as agreed, and (c) Seller has complied with Seller's other obligations. **If Buyer elects not to conduct a walk-through inspection prior to COE, then all systems, items and aspects of the Property are deemed satisfactory, and Buyer releases Seller's liability for costs of any repair that would have reasonably been identified by a walk-through inspection, except as otherwise provided by law.**

14. DELIVERY OF POSSESSION: Seller shall deliver the Property along with any keys, alarm codes, garage door opener/controls and, if freely transferable, parking permits and gate transponders outside of Escrow, upon COE. Seller agrees to vacate the Property and leave the Property in a neat and orderly, broom-clean condition and tender possession no later than ☒**COE –OR–** ☐_____. In the event Seller does not vacate the Property by this time, Seller shall be considered a trespasser in addition to Buyer's other legal and equitable remedies. Any personal property left on the Property after the date indicated in this section shall be considered abandoned by Seller.

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

16. ASSIGNMENT OF THIS AGREEMENT: Unless otherwise stated herein, this Agreement is non-assignable unless agreed upon in writing by all parties.

17. CANCELLATION OF AGREEMENT: In the event this Agreement is properly cancelled in accordance with the terms contained herein, then Buyer will be entitled to a refund of the EMD. Neither Buyer nor Seller will be reimbursed for any expenses incurred in conjunction with due diligence, inspections, appraisals or any other matters pertaining to this transaction (unless otherwise provided herein or except as otherwise provided by law).

18. DEFAULT:

A. MEDIATION: Before any legal action is taken to enforce any term or condition under this Agreement, the parties agree to engage in mediation, a dispute resolution process, through GLVAR. Notwithstanding the foregoing, in the event the Buyer finds it necessary to file a claim for specific performance, this section shall not apply. Each party is encouraged to have an independent lawyer of their choice review this mediation provision before agreeing thereto. By initialing below, the parties confirm that they have read and understand this section and voluntarily agree to the provisions thereof.

BUYER(S) INITIALS: MZ / _____ **SELLER(S) INITIALS:** CW / _____

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

Buyer's Name: Marie Zhu BUYER(S) INITIALS: MZ / _____

Property Address: 2132 HOUSTON DR SELLER(S) INITIALS: CW / _____

B. IF SELLER DEFAULTS: If Seller defaults in performance under this Agreement, Buyer reserves all legal and/or equitable rights (such as specific performance) against Seller, and Buyer may seek to recover Buyer's actual damages incurred by Buyer due to Seller's default.

C. IF BUYER DEFAULTS: If Buyer defaults in performance under this Agreement, as Seller's sole legal recourse, Seller may retain, as liquidated damages, the EMD. In this respect, the Parties agree that Seller's actual damages would be difficult to measure and that the EMD is in fact a reasonable estimate of the damages that Seller would suffer as a result of Buyer's default. Seller understands that any additional deposit not considered part of the EMD in Section 1(B) herein will be immediately released by ESCROW HOLDER to Buyer.

Instructions to Escrow

19. ESCROW: If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold ESCROW HOLDER free and harmless from any loss or expense, except losses or expenses as may arise from ESCROW HOLDER'S negligence or willful misconduct. If conflicting demands are made or notices served upon ESCROW HOLDER with respect to this Agreement, the parties expressly agree that Escrow is entitled to file a suit in interpleader and obtain an order from the Court authorizing ESCROW HOLDER to deposit all such documents and monies with the Court, and obtain an order from the Court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the entry of an order authorizing such Interpleader, ESCROW HOLDER shall be fully released and discharged from any obligations imposed upon it by this Agreement; and ESCROW HOLDER shall not be liable for the sufficiency or correctness as to form, manner, execution or validity of any instrument deposited with it, nor as to the identity, authority or rights of any person executing such instrument, nor for failure of Buyer or Seller to comply with any of the provisions of any agreement, contract or other instrument filed with ESCROW HOLDER or referred to herein. ESCROW HOLDER'S duties hereunder shall be limited to the safekeeping of all monies, instruments or other documents received by it as ESCROW HOLDER, and for their disposition in accordance with the terms of this Agreement. In the event an action is instituted in connection with this escrow, in which ESCROW HOLDER is named as a party or is otherwise compelled to make an appearance, all costs, expenses, attorney fees, and judgments ESCROW HOLDER may expend or incur in said action, shall be the responsibility of the parties hereto.

20. UNCLAIMED FUNDS: In the event that funds from this transaction remain in an account, held by ESCROW HOLDER, for such a period of time that they are deemed "abandoned" under the provisions of Chapter 120A of the Nevada Revised Statutes, ESCROW HOLDER is hereby authorized to impose a charge upon the dormant escrow account. Said charge shall be no less than $5.00 per month and may not exceed the highest rate of charge permitted by statute or regulation. ESCROW HOLDER is further authorized and directed to deduct the charge from the dormant escrow account for as long as the funds are held by ESCROW HOLDER.

Brokers

21. BROKER'S COMPENSATION/FEES: Buyer herein requires, and Seller agrees, as a condition of this Agreement, that Seller will pay Listing Broker and Buyer's Broker, who becomes by this clause a third party beneficiary to this Agreement, that certain sum and/or percentage of the Purchase Price (commission), that Seller, or Seller's Broker, offered for the procurement of ready, willing and able Buyer via the Multiple Listing Service, any other advertisement or written offer. Seller understands and agrees that if Seller defaults hereunder, Buyer's Broker, as a third-party beneficiary of this Agreement, has the right to pursue all legal recourse against Seller for any commission due. **In addition to any amount due to Buyer's Broker from Seller or Seller's Broker, Buyer ☒ will –OR– ☐ will not pay Buyer's Broker additional compensation in an amount determined between the Buyer and Buyer's Broker.**

22. WAIVER OF CLAIMS: Buyer and Seller agree that they are not relying upon any representations made by Brokers or Broker's agent. Buyer acknowledges that at COE, the Property will be sold AS-IS, WHERE-IS without any representations or warranties, unless expressly stated herein. Buyer agrees to satisfy himself/herself, as to the condition of the Property, prior to COE. Buyer acknowledges that any statements of acreage or square footage by Brokers are simply estimates, and Buyer agrees to make such measurements, as Buyer deems necessary, to ascertain actual acreage or square footage. Buyer waives all

claims against Brokers or their agents for (a) defects in the Property; (b) inaccurate estimates of acreage or square footage; (c) environmental waste or hazards on the Property; (d) the fact that the Property may be in a flood zone; (e) the Property's proximity to freeways, airports or other nuisances; (f) the zoning of the Property; (g) tax consequences; or (h) factors related to Buyer's failure to conduct walk-throughs or inspections. Buyer assumes full responsibility for the foregoing and agrees to conduct such tests, walk-throughs, inspections and research, as Buyer deems necessary. In any event, Broker's liability is limited, under any and all circumstances, to the amount of that Broker's commission/fee received in this transaction.

Other Matters

23. DEFINITIONS: **"Acceptance"** means the date that both parties have consented to a final, binding contract by affixing their signatures to this Agreement and all counteroffers and said Agreement and all counteroffers have been delivered to both parties pursuant to Section 24 herein. **"Agent"** means a licensee working under a Broker or licensees working under a developer. **"Agreement"** includes this document as well as all accepted counteroffers and addenda. "**Appraisal**" means a written appraisal or Notice of Value as required by any lending institution prepared by a licensed or certified professional. "**Bona Fide**" means genuine. **"Buyer"** means one or more individuals or the entity that intends to purchase the Property. "**Broker**" means the Nevada licensed real estate broker listed herein representing Seller and/or Buyer (and all real estate agents associated therewith). "**Business Day**" excludes Saturdays, Sundays, and legal holidays. "**Calendar Day**" means a calendar day from/to midnight unless otherwise specified. **"CFR"** means the Code of Federal Regulations. **"CIC"** means Common Interest Community (formerly known as "HOA" or homeowners associations). "**CIC Capital Contribution**" means a one-time non-administrative fee, cost or assessment charged by the CIC upon change of ownership. "**CIC Transfer Fees**" means the administrative service fee charged by a CIC to transfer ownership records. **"Close of Escrow (COE)"** means the time of recordation of the deed in Buyer's name. **"Default"** means the failure of a Party to observe or perform any of its material obligations under this Agreement. **"Delivered"** means personally delivered to Parties or respective Agents, transmitted by facsimile machine, electronic means, overnight delivery, or mailed by regular mail. **"Down Payment"** is the Purchase Price less loan amount(s). **"EMD"** means Buyer's earnest money deposit. **"Escrow Holder"** means the neutral party that will handle the closing. **"FHA"** is the U.S. Federal Housing Administration. **"GLVAR"** means the Greater Las Vegas Association of REALTORS®. **"Good Funds"** means an acceptable form of payment determined by ESCROW HOLDER in accordance with NRS 645A.171. **"IRC"** means the Internal Revenue Code (tax code). **"LID"** means Limited Improvement District. **"N/A"** means not applicable. **"NAC"** means Nevada Administrative Code. "**NRS**" means Nevada Revised Statues as Amended. **"Party"** or **"Parties"** means Buyer and Seller. **"PITI"** means principal, interest, taxes, and hazard insurance. "**PMI**" means private mortgage insurance. **"PST"** means Pacific Standard Time, and includes daylight savings time if in effect on the date specified. **"PTR"** means Preliminary Title Report. **"Property"** means the real property and any personal property included in the sale as provided herein. **"Receipt"** means delivery to the party or the party's agent. **"RPA"** means Residential Purchase Agreement. **"Seller"** means one or more individuals or the entity that is the owner of the Property. **"SID"** means Special Improvement District. **"Title Company"** means the company that will provide title insurance. "**USC**" is the United States Code. "**VA**" is the Veterans Administration.

24. SIGNATURES, DELIVERY, AND NOTICES:

A. This Agreement may be signed by the parties on more than one copy, which, when taken together, each signed copy shall be read as one complete form. This Agreement (and documents related to any resulting transaction) may be signed by the parties manually or digitally. Facsimile signatures may be accepted as original.

B. When a Party wishes to provide notice as required in this Agreement, such notice shall be sent regular mail, personal delivery, overnight delivery, by facsimile, and/or by electronic transmission to the Agent for that Party. The notification shall be effective when postmarked, received, faxed, delivery confirmed, and/or read receipt confirmed in the case of email. Delivery of all instruments or documents associated with this Agreement shall be delivered to the Agent for Seller or Buyer if represented. Any cancellation notice shall be contemporaneously delivered to Escrow in the same manner.

25. IRC 1031 EXCHANGE: Seller and/or Buyer may make this transaction part of an IRC 1031 exchange. The party electing to make this transaction part of an IRC 1031 exchange will pay all additional expenses associated therewith, at no cost to the other party. The other party agrees to execute any and all documents necessary to effectuate such an exchange.

26. OTHER ESSENTIAL TERMS: Time is of the essence. No change, modification or amendment of this Agreement

shall be valid or binding unless such change, modification or amendment shall be in writing and signed by each party. This Agreement will be binding upon the heirs, beneficiaries and devisees of the parties hereto. This Agreement is executed and intended to be performed in the State of Nevada, and the laws of that state shall govern its interpretation and effect. The parties agree that the county and state in which the Property is located is the appropriate forum for any action relating to this Agreement. Should any party hereto retain counsel for the purpose of initiating litigation to enforce or prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorney's fees and costs incurred by such prevailing party.

THIS IS A LEGALLY BINDING CONTRACT. All parties are advised to seek independent legal and tax advice to review the terms of this Agreement.

THIS FORM HAS BEEN APPROVED BY THE GREATER LAS VEGAS ASSOCIATION OF REALTORS® (GLVAR). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

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27. **ADDENDUM(S) ATTACHED:** _____

_____

28. **ADDITIONAL TERMS:**
Buyer agree to pay the difference in cash if appraisal come in lower than purchase price, not to exceed purchase price of $200k.

Buyer's Acknowledgement of Offer

Confirmation of Representation: The Buyer is represented in this transaction by:

Buyer's Broker: Joyce Nickrandt
Company Name: Investpro Realty
Broker's License Number: B0144660
Phone: 702-997-3832
Fax: 702-997-3836

Agent's Name: Liwei Helen Chen
Agent's License Number: S.0175520
Office Address: 3553 VALLEY VIEW BLVD
City, State, Zip: LAS VEGAS NV 89103
Email: helen0510c@gmail.com

BUYER LICENSEE DISCLOSURE OF INTEREST: Pursuant to NRS 645.252(1)(c), a real estate licensee must disclose if he/she is a principal in a transaction or has an interest in a principal to the transaction. Licensee declares that he/she:
X DOES NOT have an interest in a principal to the transaction. **–OR–**
___ **DOES** have the following interest, direct or indirect, in this transaction: ☐ Principal (Buyer) **–OR–** ☐ family or firm relationship with Buyer or ownership interest in Buyer (if Buyer is an entity): (specify relationship) _____.

Seller must respond by: 5 (☐AM☒PM) **on (month)** September, **(day)** 6, **(year)** 2017. **Unless this**

Agreement is accepted, rejected or countered below and delivered to the Buyer's Broker before the above date and time, this offer shall lapse and be of no further force and effect. Upon Acceptance, Buyer agrees to be bound by each provision of this Agreement, and all signed addenda, disclosures, and attachments.

Buyer's Signature	Buyer's Printed Name	Date	Time
Marie Zhu	Marie Zhu	09/05/2017	4:05 PM ☐AM/☐PM
			☐AM/☐PM

Seller's Response

Confirmation of Representation: The Seller is represented in this transaction by:

Seller's Broker: Joyce Nickrandt
Company Name: Investpro Realty
Broker's License Number: B0144660
Phone:
Fax: 866-782-3075

Agent's Name: Liwei Helen Chen
Agent's License Number: S.0172460
Office Address: 3553 Valley View Dr
City, State, Zip: Las Vegas NV 89103
Email: zhong.kenny@gmail.com

SELLER LICENSEE DISCLOSURE OF INTEREST: Pursuant to NRS 645.252(1)(c), a real estate licensee must disclose if he/she is a principal in a transaction or has an interest in a principal to the transaction. Licensee declares that he/she:
_X_ **DOES NOT** have an interest in a principal to the transaction. **–OR–**
___ **DOES** have the following interest, direct or indirect, in this transaction: ☐ Principal (Seller) **–OR–** ☐ family or firm relationship with Seller or ownership interest in Seller (if Seller is an entity): (specify relationship)

_____.

FIRPTA: If applicable (as designated in the Seller's Response herein), Seller agrees to complete, sign, and deliver to Buyer's FIRPTA Designee a certificate indicating whether Seller is a foreign person or a nonresident alien pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA). A foreign person is a nonresident alien individual; a foreign corporation not treated as a domestic corporation; or a foreign partnership, trust or estate. A resident alien is not considered a foreign person under FIRPTA. Additional information for determining status may be found at www.irs.gov. Buyer and Seller understand that if Seller is a foreign person then the Buyer must withhold a tax in an amount to be determined by Buyer's FIRPTA Designee in accordance with FIRPTA, unless an exemption applies. Seller agrees to sign and deliver to the Buyer's FIRPTA Designee the necessary documents, to be provided by the Buyer's FIRPTA Designee, to determine if withholding is required. (See 26 USC Section 1445).

SELLER DECLARES that he/she _X_ **is not** **–OR–** ___ is a foreign person therefore subjecting this transaction to FIRPTA withholding. **SELLER(S) INITIALS:** CW / _____

_X_ **ACCEPTANCE:** Seller(s) acknowledges that he/she accepts and agrees to be bound by each provision of this Agreement, and all signed addenda, disclosures, and attachments.

___ **COUNTER OFFER:** Seller accepts the terms of this Agreement subject to the attached Counter Offer #1.

___ **REJECTION:** In accordance with NAC 645.632, Seller hereby informs Buyer the offer presented herein **is not** accepted.

Seller's Signature	Seller's Printed Name	Date	Time
[redacted]	TKNR INC	09/05/2017	4:53 PM ☐AM/☐PM
			☐AM/☐PM

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

Buyer's Name: Marie Zhu
Property Address: 2132 HOUSTON DR

BUYER(S) INITIALS: MZ
SELLER(S) INITIALS: CW /

InvestPro REALTY

ADDENDUM NO. 1
TO PURCHASE AGREEMENT

REALTOR® EQUAL HOUSING OPPORTUNITY

In reference to the Purchase Agreement executed by Marie Zhu as Buyer(s) and TKNR INC as Seller(s), dated 09/05/17 covering the real property at 2132 HOUSTON DR LASVEGAS NV 89104, the ☒ Buyer ☐ Seller hereby proposes that the Purchase Agreement be amended as follows:

1.buyer and seller agree to extend the COE to 1/5/18.
2.buyer to make an immediate additional deposit of $60,000 (sixty thousand dollars) to escrow , and the escrow to release the entire $60,000 (sixty thousands dollars) to seller immediately, and become non-refundable. If this transfer is not completed within 48 hours of execution of this addendum , this addendum will become invalid immediately,either buyer and seller have any obligations to each other.
3.Total of $60,000 will be applied to purchase price as buyer's credit at COE. All other terms on the existing RPA and addendum to stay the same and effective .
4. Buyer also agree to pay for the rent on one of 2 bedroom unit at the rate of $650 per month until seller place a tenant in the unit ,the rent will be paid by buyer to seller at successful COE .in the event that seller place a tenant in the unit , buyer will no longer be paying the rent to seller , and buyer will pay $800 tenant placement fee (leasing fee) to current PM immediately, which is none refundable and to be prorated at successful COE.
5. Time is essence on this addendum.
6. Seller has the right to cancel the escrow without any obligation to the buyer only if the buyer fails to close the escrow for any reason what so ever by Jan 5th, 2018.
7. Buyer agrees to hold harmless against the seller, listing agent and its broker, selling agent and its broker if the buyer fails the close by Jan 5th, 2018 per RPA and this addendum.

Authentisign Joyce Nickrandt
witness 9/27/2017 Joyce Nickrandt

☐ **ADDITIONAL PAGE(S) ATTACHED. This Addendum is not complete without the additional terms on the attached _____ page(s).**

When executed by both parties, this Addendum is made an integral part of the aforementioned Purchase Agreement.

WHEN PROPERLY COMPLETED, THIS IS A BINDING CONTRACT. IF YOU DO NOT FULLY UNDERSTAND ITS CONTENTS, YOU SHOULD SEEK COMPETENT LEGAL COUNSEL BEFORE SIGNING.

Authentisign Marie Zhu — 09/26/2017
☒ Buyer ☐ Seller 9/26/2017 7:48:07 PM PDT — Date

7:48 PM
☐ Buyer ☐ Seller — Time

Acceptance:

Authentisign — 09/27/2017
☐ Buyer ☒ Seller 9/27/2017 11:06:[illegible] PDT — Date

11:06 AM
☐ Buyer ☐ Seller — Time

Prepared by: Liwei Helen Chen
Agent's Printed Name — Phone

InvestPro REALTY

ADDENDUM NO. 2
TO PURCHASE AGREEMENT

REALTOR® EQUAL HOUSING OPPORTUNITY

In reference to the Purchase Agreement executed by Marie Zhu as Buyer(s) and TKNR INC as Seller(s), dated 09/05/17 covering the real property at 2132 HOUSTON DR LASVEGAS NV 89104, the ☒ Buyer ☐ Seller hereby proposes that the Purchase Agreement be amended as follows:

1. Buyer's name amend to WLAB INVESTMENT GROUP LLC

☐ **ADDITIONAL PAGE(S) ATTACHED. This Addendum is not complete without the additional terms on the attached _____ page(s).**

When executed by both parties, this Addendum is made an integral part of the aforementioned Purchase Agreement.

WHEN PROPERLY COMPLETED, THIS IS A BINDING CONTRACT. IF YOU DO NOT FULLY UNDERSTAND ITS CONTENTS, YOU SHOULD SEEK COMPETENT LEGAL COUNSEL BEFORE SIGNING.

Authentisign Marie Zhu — 12/12/2017
12/12/2017 1:39:33 PM PST
☒ Buyer ☐ Seller — Date

1:39 PM
☐ Buyer ☐ Seller — Time

Acceptance:

Authentisign [redacted] — 12/12/2017
12/12/2017 2:45:12 PM PST
☐ Buyer ☒ Seller — Date

2:45 PM
☐ Buyer ☐ Seller — Time

Prepared by: Liwei Helen Chen — Agent's Printed Name — Phone

EXHIBIT G

EXHIBIT G

Neil D. Opfer
Opfer Construction & Review [OPCOR] Group, LLC
NV B-2 License #0048965
1920 Placid Ravine
Las Vegas, Nevada 89117

opfern@yahoo.com
(702) 341-5828 (office)
(702) 895-4047 (alt. office)
(702) 523-2738 (mobile)

November 30, 2020 **REPORT**

Mr. Michael B. Lee, Esq.
Principal
Michael B. Lee, PC Law Firm
1820 East Sahara Avenue – Suite 110
Las Vegas, Nevada 89104

RE: WLAB Investment, LLC v. TKNR, Inc., et al.
Triplex Property
2132 Houston Drive, Las Vegas, Nevada 89104
Construction Defect Issues
Case No.: A-18-785917-C

Dear Mr. Lee:

ASSIGNMENT:

We were assigned to perform a site investigation and analysis of the existing Triplex Property at 2132 Houston Drive, Las Vegas, Nevada 89104. This Triplex Property originally built in 1954 had been sold in August 2017 to the Plaintiff by the Defendants. Subsequent to this sale, the Plaintiff has alleged a number of construction defects with the subject Property. While the Defendants owned the Property a minor amount of remodeling work had taken place with the Property with finishing work such as tile work, cabinetry, and painting. In addition, a new HVAC system was installed with package roof-mounted heat pumps.

My opinions along with the bases and reasons therefore regarding this issue are set forth below. As a supplement to the report, I have attached my resume, curriculum vitae containing my qualifications including a list of all publications I have authored during the past ten years-plus, and my best attempt at listing other cases in which I have testified as an expert at trial (past ten-plus years) or by deposition during the past ten-plus years. It is my understanding that there may be other experts in the subject litigation that are preparing their own reports or that may be deposed

in this case. I plan to supplement this preliminary report as necessary based on my review of such reports or depositions, and am available to consider and evaluate additional issues as necessary and requested by your office.

ISSUES AND DISCUSSION:

This writer conducted a site examination and inspection on November 17, 2020 at the Triplex Property, 2132 Houston Drive, Las Vegas, Nevada 89104 with, of course, yourself and Mr. Kenny Lin of InvestPro Realty plus a representative of the Plaintiff and Plaintiff's attorney. Photo CDs/ index prints from this site visit have been forwarded to your office. Interior access, as you know, was only available to one unit of the three units of the Triplex as this was an empty unit and the residents of the other two units were not there. This was despite the fact that an agreed-upon time of 3:00PM had been previously set for inspection of the Triplex which included interior inspections. Apparently the Plaintiff's representative there at the time could not allow us interior access to the other two units. This writer was able to access the roof and exterior for all three units. The Triplex (three units included) totals approximately 2167 square feet based on provided information.

This writer has been provided with a number of documents in this case including the sales agreement and related disclosures. In addition, this writer has been provided with the Report of Mr. Sani (hereinafter Sani Report) who was retained by the Plaintiffs in this dispute. A listing of supplied information is included as Exhibit 1 to this Report. In addition, this writer conducted a search for the Property on Zillow Las Vegas which had 34 Photographs stamped from GLVAR (Greater Las Vegas Association of Realtors) in 2017 which depicted the Property prior to sale. Also, a search of Google Maps provided street views of the Property from February 2020.

Residence Construction In 1954:

As noted above, the Triplex Property was built in 1954 which makes the Property 63 years old at the time of sale to the Plaintiff (2017 – 1954 = 63 years old). This means that the Property would have been built under the 1952 Edition of the Uniform Building Code and other associated building codes with their respective editions in effect at the time such as the National Electrical Code and

Uniform Plumbing Code. It is unknown to this writer as to subsequent work that took place on this Triplex in the intervening 63 years prior to 2017 except for the minor remodeling work done by the Defendants and the new HVAC system prior to sale.

Building Permits Not Required For Finishing Work:

Contra to the assertions contained in the Sani Report, not all remodel work or construction work requires a building permit. Both the Uniform Building Code (UBC) in effect in the City of Las Vegas until mid-2004 and the successor to the UBC, the International Building Code and International Residential Code have lists of work not requiring building permits. The City of Las Vegas Building Department has published a "When Do I Need A Permit? A Homeowners Guide" for residential work not requiring permits. The complete guide is attached to this Report as Exhibit 1. An excerpt of this Guide is reprinted below as Figure 1 and continued on the next page with **bolding and red-color adds** as necessary.

HOMEOWNERS AND PERMITS – WHAT CAN I DO WITHOUT A PERMIT?

There are numerous things you can do to your house that do not require permits. **Permits are NOT required for the following:**

Building Improvements

1. Non-habitable one-story detached accessory structures (storage structures, playhouses, etc.) provided the floor area does not exceed 200 square feet, provided there are no electrical, plumbing or mechanical improvements or additions;
2. Fences not over 2 feet high, unless required for barriers around swimming pools (a swimming pool barrier is required for any swimming pool, hot tub, spa or similar structure intended for swimming, recreational bathing or immersion that contains water over 4 feet depth and constructed after November 21, 1990);
3. Retaining walls that are not over 2 feet in height measured from the bottom of the footing to the top of the wall unless supporting a surcharge;
4. Private concrete sidewalks, slabs, and driveways not more than 30 inches above adjacent grade and not over any basement or story below; an offsite permit is needed if the ANY portion of the driveway is in the public right-of-way;
5. **Painting, papering, tiling, carpeting, cabinets, countertops, interior wall, floor or ceiling covering, re-grouting tile, and similar finish work;**
6. Prefabricated swimming pools where the pool walls are entirely above the adjacent grade. However, barrier requirements are not exempt;
7. Swings and other playground equipment accessory to a one- or two-family dwelling;
8. Gutters and downspouts;
9. Door and window replacements (where no structural member is altered or changed).

Figure 1 City of Las Vegas Building Department *"When Do I Need A Permit? A Homeowners Guide"*

HOMEOWNERS AND PERMITS – WHAT CAN I DO WITHOUT A PERMIT?

There are numerous things you can do to your house that do not require permits. **Permits are NOT required for the following:** ***(continued)***

Electrical Improvements

1. To remove and replace broken or damaged electrical outlets (like for like only). However, permits are required to install, upgrade or change outlets for decorative purposes. If a GFCI protected outlet is required by code, a permit is required;
2. To replace defective breakers (like for like only);
3. To replace light bulbs and fluorescent tubes;
4. To replace an existing garbage disposal, dishwasher, or similar appliance of 30 amps or less;
5. To install low voltage wiring for garage door openers, cable TV, or burglar alarms;
6. To install phone outlets (wire must be listed type wire);
7. To install CATV – Community Access TV (wire must be listed type wire);
8. To replace an existing door bell.

Plumbing Improvements

1. Repair/replace a sink;
2. Repair/replace a toilet;
3. Repair/replace a faucet (if not concealed in a wall);
4. Resurfacing Shower walls;
5. Repair/replace Shower heads;
6. Repair/replace Rain Gutters and Downspouts;
7. Add to or alter an irrigation system with an approved back flow device;
8. Install a water filter;
9. Replace a hose bibb;
10. Install a fountain or other water feature that is filled by a hose 18 inches in depth or less;

Mechanical (Heating, Ventilation, and Air Conditioning) Improvements

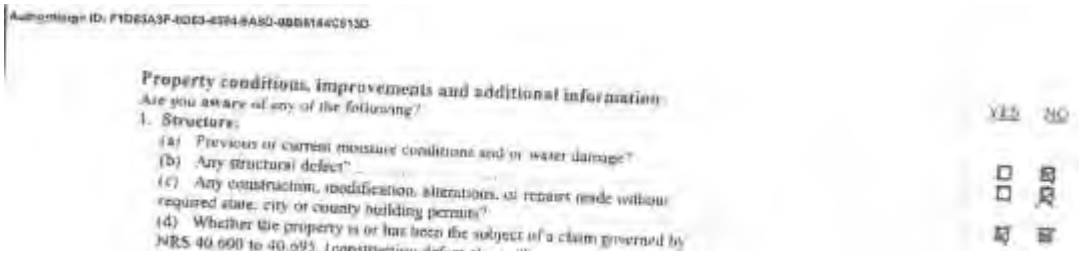
1. Portable heating appliances, cooking or clothes drying appliances;
2. Portable ventilation appliances;
3. Portable cooling units;
4. Steam, hot, or chilled water piping within any heating or cooling equipment regulated by the mechanical or plumbing code;
5. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe;
6. Portable evaporative coolers installed in windows; installation within a wall opening created for such will require a permit.
7. Portable appliances, such as freezers, washing machines, refrigerators, portable barbecue grill, etc.;
8. Change out furnace filters.

Figure 1 City of Las Vegas Building Department *"When Do I Need A Permit? A Homeowners Guide" (Continued)*

Contra to the Sani Report, as seen above, the minor remodel work undertaken by the Defendants prior to sale of the Triplex Property did not require building permits. This is seen in Item 5 in the Building Improvements' Section and Items 1, 2, 3, 4, and 5 in the Plumbing Improvements' Section:

Building Improvements: 5. Painting, papering, tiling, carpeting, cabinets, countertops, interior wall, floor or ceiling covering, re-grouting tile, and similar finish work; Plumbing Improvements: 1. Repair/replace a sink; 2. Repair/replace a toilet; 3. Repair/replace a faucet (if not concealed in a wall); 4. Resurfacing Shower walls; 5. Repair/replace Shower heads;

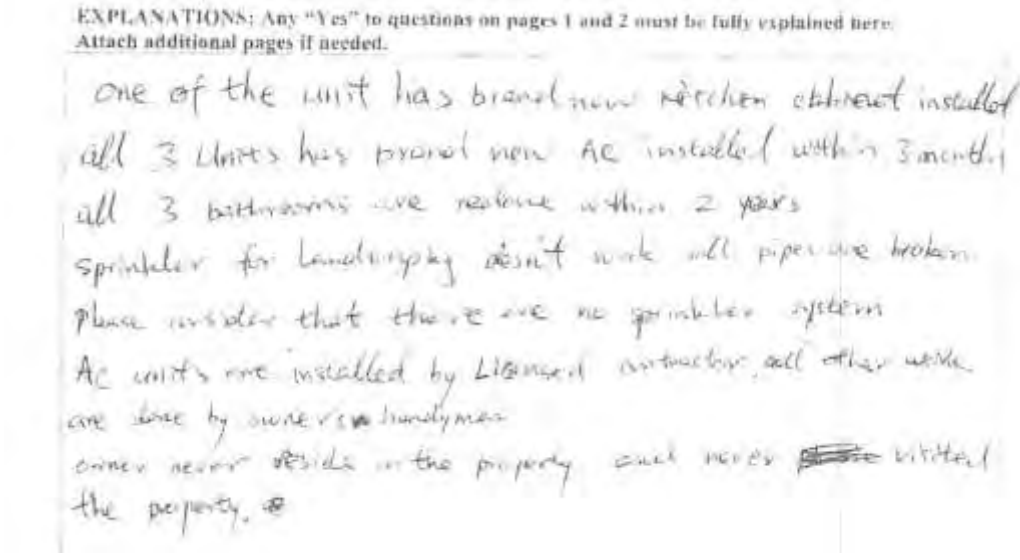
In addition, it should be noted that in the real-estate disclosure documents as part of the sale from Defendants to Plaintiff, it was highlighted that there had been work done on the Property without building permits as seen below in Figure 2 which is Bates Stamped as DEF 0003. Figure 3 below denotes that HVAC work was done through a licensed contractor with other work by handymen.



Property conditions, improvements and additional information:
Are you aware of any of the following?

	YES	NO
1. Structure:		
(a) Previous or current moisture conditions and/or water damage?	☐	☒
(b) Any structural defect?	☐	☒
(c) Any construction, modification, alterations, or repairs made without required state, city or county building permits?		☒
(d) Whether the property is or has been the subject of a claim governed by NRS 40.600 to 40.695.	☒	☐

Figure 2 – From DEF 0003 Notification To Buyer That Work Had Been Performed On The Property Without Building Permits



EXPLANATIONS: Any "Yes" to questions on pages 1 and 2 must be fully explained here.
Attach additional pages if needed.

one of the unit has brand new kitchen cabinet installed
all 3 Units has brand new AC installed within 3 month
all 3 bathrooms are redone within 2 years
Sprinkler for landscaping doesn't work all pipe are broken
please insider that there are no sprinkler system
AC units are installed by Licensed contractor all other work
are done by owner's handyman
owner never reside in the property only never visited
the property.

Figure 3 – From DEF 0004 Notification To Buyer That Work Had Been Performed On The Property With HVAC Work By A Licensed Contractor With Other Work By Handymen

Waived Standard Inspection Requirement:

Note that the Plaintiff could have hired an inspector or contractor to evaluate this real-estate purchase beforehand but did not. Items complained about in the Sani Report were open and obvious at the roof area, attic area, and on the exterior and interior areas of the Property. It is true that some cracks in walls and flooring surfaces may have taken place since purchase but stucco cracking and floor-surface cracking is a common issue with both residential and commercial real estate in the Las Vegas Valley based on this writer's work experience of having been in the area since 1989. The Defendants did not construct the concrete slab-on-grade or construct the walls of this Property. Any dead loads added to the Property from wall refinishing or the addition of the roof-top heat pump units are essentially trivial in proper context and would not cause either wall cracking or slab cracking. Deteriorated stucco and cracked concrete slabs are seen in the 2017 GLVAR Photos of the Property still currently posted at the website for Zillow Las Vegas [https://www.zillow.com/b/2132-houston-dr-las-vegas-nv-63J2M3/#mmlb-2 site accessed November 18, 2020.] Other more- extensive-photographic documentation of the conditions of the Property at the time of the foreclosure sale and at time of sale to Plaintiff is found in Defendants' Fourth Supplement To Initial Disclosures Of Documents And Witnesses Pursuant To NRCP 16.1.

A. **PROPERTY INSPECTION/CONDITION:** During the Due Diligence Period, Buyer shall take such action as Buyer deems necessary to determine whether the Property is satisfactory to Buyer including, but not limited to, whether the Property is insurable to Buyer's satisfaction, whether there are unsatisfactory conditions surrounding or otherwise affecting the Property (such as location of flood zones, airport noise, noxious fumes or odors, environmental substances or hazards, whether the Property is properly zoned, locality to freeways, railroads, places of worship, schools, etc.) or any other concerns Buyer may have related to the Property. During such Period, Buyer shall have the right to conduct, non-invasive/ non-destructive inspections of all structural, roofing, mechanical, electrical, plumbing, heating/air conditioning, water/well/septic, pool/spa, survey, square footage, and any other property or systems, through licensed and bonded contractors or other qualified professionals. Seller agrees to provide reasonable access to the Property to Buyer and Buyer's inspectors. Buyer agrees to indemnify and hold Seller harmless with respect to any injuries suffered by Buyer or third parties present at Buyer's request while on Seller's Property conducting such inspections, tests or walk-throughs. Buyer's indemnity shall not apply to any injuries suffered by Buyer or third parties present at Buyer's request that are the result of an intentional tort, gross negligence or any misconduct or omission by Seller, Seller's Agent or other third parties on the Property. Buyer is advised to consult with appropriate professionals regarding neighborhood or Property conditions, including but not limited to: schools; proximity and adequacy of law enforcement; proximity to commercial, industrial, or agricultural activities; crime statistics; fire protection; other governmental services; existing and proposed transportation; construction and development; noise or odor from any source; and other nuisances, hazards or circumstances. If Buyer cancels this Agreement due to a specific inspection report, Buyer shall provide Seller at the time of cancellation with a copy of the report containing the name, address, and telephone number of the inspector.

Figure 4 – From DEF 0010 Notification To Buyer That Buyer Has Both Access To The Property And The Right To Conduct Inspections Of The Property

Figure 4 above is excerpted from real-estate documentation that points out to the Buyer that they have the right to have both access and conduct inspections of the Property. There is no indication

in the Sani Report that any destructive testing was performed so therefore an inspector or contractor could have made the same observations, albeit often incorrect, that have been made in the Sani Report.

Las Vegas Valley Geology:

To place the assertions of the Sani Report in proper context, the geology of the Las Vegas Valley

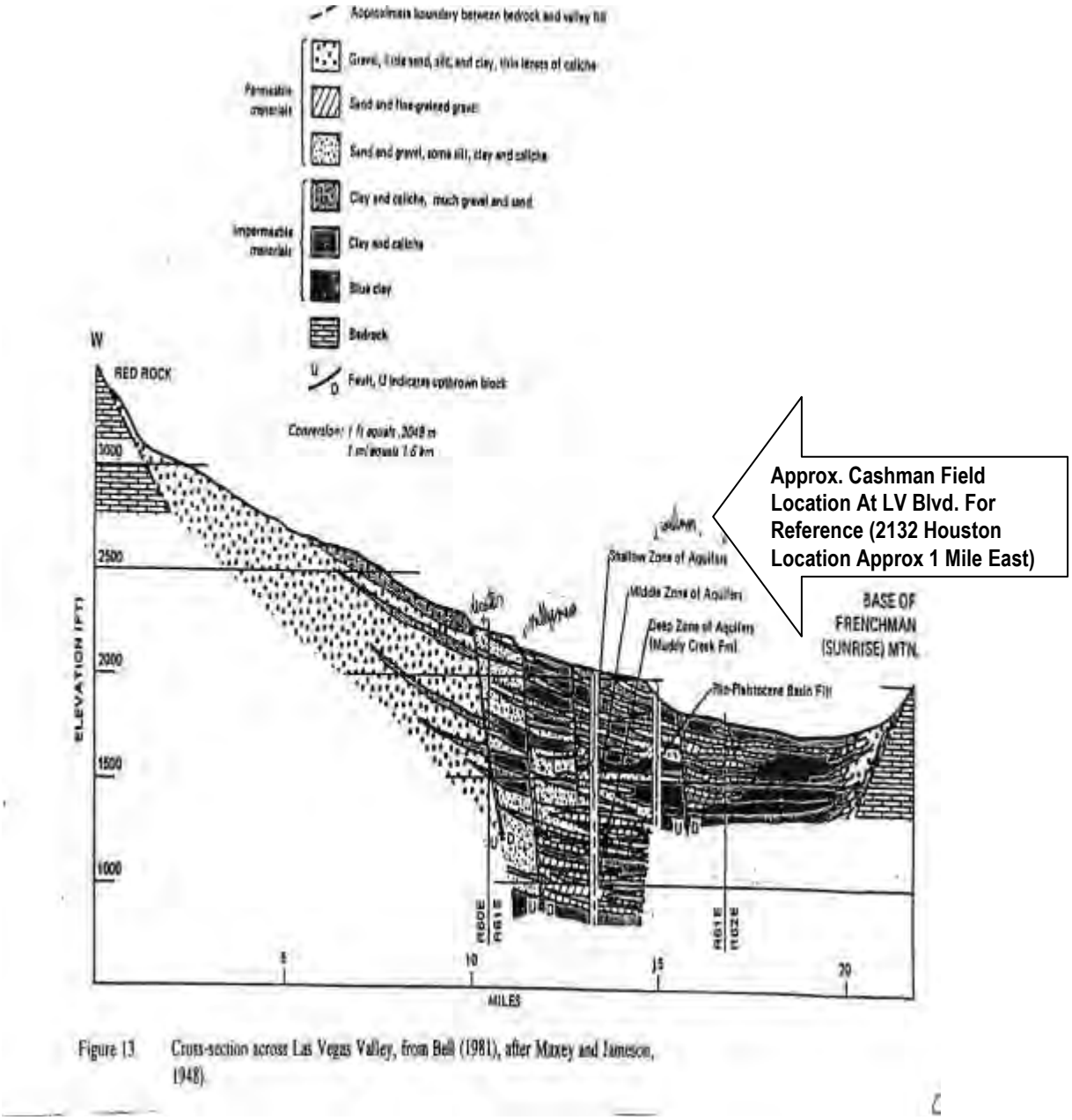


Figure 5 Las Vegas Valley Geologic Cross-Section (Bell, J.W., 1981, Subsidence in Las Vegas Valley)

and hydrology both require brief coverage. As those familiar with the Las Vegas Valley know, soil conditions vary widely in the area from basalt rock or caliche rock to sand, gravel, silt, clay, sulfate-laden soils (chemically "hot" soils) and collapsible gypsum. The Las Vegas Valley at its deepest point was originally 3,000-4,000 feet deeper than it is today. The actions of 100-year floods and 1,000-year floods over an extensive time period has meant that these floods carried soil materials from the Spring Mountains to the West and the River Mountains to the East to fill up the Las Vegas Valley to what is seen today. These floods and the material carried in these flood waters have meant that just as a stream or river first drops heavier material such as rocks and then fine material further on so as has taken place in the central area of the Las Vegas Valley. Therefore this area consists of fine material including sand, silt and clay. The varied soil conditions and this filling of the Las Vegas Valley are seen above in Figure 5 which is a broad cross-section of the Las Vegas Valley. The white arrow in Figure 5 calls out the location of Cashman Field. The 2132 Houston Drive location would be approximately 1 mile to the East of Cashman Field on the cross-section view of Figure 5 when looking at Cashman Field's location versus Eastern Avenue. Obviously both Eastern Avenue and Las Vegas Boulevard change paths but the 1-mile East per the cross-section is the most accurate estimate.

Based on this writer's experience, the clay material can include expansive clay. The issue with expansive clay is that it can swell up (expand) in the presence of water and then compress when it dries out. Note that expansive clays have created residential-foundation problems in many areas.

Rainfall patterns vary greatly in the Las Vegas Valley and the area is on the Eastern edge of the Mojave Desert. Average rainfall in a year is 4 inches although summer cloudbursts can dump an inch of rain in less than an hour over localized areas. Moreover as seen above in Figure 5 there is a substantial drop-off in elevation from the West side of the Valley to the East side.
The area at Houston Drive is a relatively low area of the Las Vegas Valley at approximately a 2,000-foot elevation. Higher areas of the Valley such as the Summerlin Area are at an elevation in excess of 3,000 feet. The Las Vegas Valley has been described by some as a bathtub with its drain at Lake Mead. As a consequence, drainage of the Las Vegas Valley flows from West to East as it finally exits at Lake Mead. Therefore all landscape irrigation water will naturally run from

those residential and commercial properties at higher elevations to those areas of the Las Vegas Valley such as here at a lower elevation. This hydrogeology is discussed in part below in Figure 6 from a discussion on hydrogeology and the Las Vegas Wash excerpted below: https://www.lvwash.org/html/important_env_hydrology.html (site accessed November 18, 2020).

Hydrology

The Las Vegas Valley is a bowl-shaped basin surrounded by rugged mountain ranges. The entire hydrographic basin is 1,600 square miles. The western edge of the valley is located approximately five miles west of Lake Mead, which is an impoundment on the Colorado River. The valley occupies a structural basin in the Basin and Range Province of the northern Mojave Desert, and most shallow ground water and all surface flows are tributary to Lake Mead via the Las Vegas Wash.

The valley is bounded virtually on all sides by mountain ranges that reach a maximum elevation of almost 12,000 feet above sea level (in the Spring Mountains to the west). The valley floor elevation ranges from about 3,000 feet in the west at the mountain front to 1,500 feet in the east at the outflow of the valley.

Figure 6 Las Vegas Valley Hydrology
https://www.lvwash.org/html/important_env_hydrology.html (site accessed November 18, 2020)

Therefore varying groundwater conditions from rainfall and other runoff issues can impact ground movement particularly with the presence of expansive clays. The point of this discussion is that this then impacts the performance of walls and concrete floor slabs as to cracking to a significant degree. Cracked floor tile can be replaced in one year only to have the same issues appear again

in the next year or year after that as an example. Standard construction materials such as stucco, drywall, floor tile, and concrete will all tend to crack when subjected to these forces. Again, cracking in these materials is seen all over the Las Vegas Valley.

Structural Defects: (Sani Report – Section A)

It is correct that there is cracking of walls and concrete slab work at the Property. However, as noted subsequently in this Report within the HVAC Section, the addition of the rooftop heat-pump unit with one located on each half of the roof system is a trivial-load item. The fact that there is cracking of flooring and cracking of walls such as seen with the exterior stucco was not caused by the addition of roof-top heat-pump units that creates an additional 220 pounds of wall loading and slab-foundation loading to an overall system section load in excess of 2200 pounds on a conservative basis. Photographic evidence disclosed in Defendants' Fourth Supplement To Initial Disclosures Of Documents And Witnesses Pursuant To NRCP 16.1 shows that there was extensive cracking evident on stucco walls and concrete slabs prior to heat-pump installation or any other work by Defendants at the Property. The Sani Report does not recognize prior conditions in existence before any work took place by the Defendants. There is no indication in the Sani Report of any documentation reviewed in preparation of this Report which is either an oversight or indicates a fundamental flaw in the estimate and discussion within the Sani Report. The Sani Report criticizes the presence of window-box AC units at the Property. The allegation, in part, is that these two respective wall openings were created for the two window-box AC units and this created structural damage. As seen in disclosed photographs of the Property prior to remodel work taking place, the window-box AC unit on the North wall was already in existence. At the West wall, there was an existing window-box unit that was inside the framed-window area. This unit from disclosed photographs was a Frigidaire window-box AC unit. Instead a wall opening below the window was created and in place now is a portable LG window-box AC unit. While it is true that here an opening was created for this LG unit in the wall it was below the window glass which, of course, is not carrying a structural load. Therefore there is no structural impact. This change in relative position is seen below in Figure 7. The rationale for taking the Frigidaire unit out of the window and creating an opening below is that this greatly improves energy efficiency. The sealing around the AC unit in the window was problematic and from disclosed photographs one

piece of glass had been substituted for with a piece of plywood (foreclosure photograph DEF 4000201).

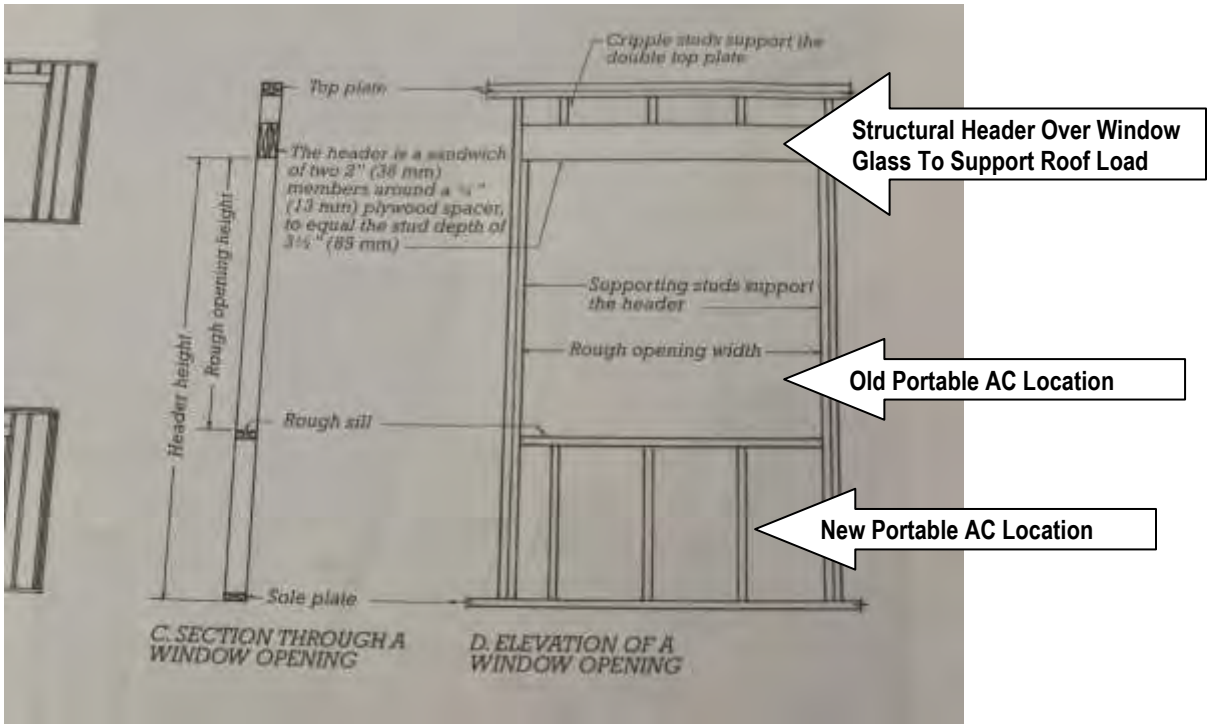


Figure 7 – Window Construction With Header In Wall And Relative Location Of Both Old And New Locations Of Portable Window AC Unit Underneath Window At West Wall (White Arrows)

The next portion of the allegations within the Sani Report as to structural damage deals with in-structure plumbing issues with leaks and vent-ducting routed into the attic. As to plumbing leaks, it is true that faucets/sinks have been changed at this Property but this is outside the wall envelope on the interior of the unit(s) where it has taken place due to new kitchen cabinet and bathroom vanity installation as an example. The Property at sale/purchase as previously noted was 63 years old so plumbing leaks are common but it is not seen wherein this issue is the result of actions by the Defendants. PEX (cross-linked polyethylene) piping has been a common piping replacement for copper piping in the Las Vegas Valley for the past 20 years in this writer's experience so the mere indication of PEX piping does not indicate any fault due to the action of Defendants.
In terms of vent ducting into the attic again, there is no indication that this work was done by Defendant's as they did not perform any attic work except that of the licensed contractors on the HVAC system and related attic ductwork. Also, as previously noted, these vent-ducting issues

discussed in the Sani Report also could have been seen on an attic inspection at the time of purchase. In addition, vent ducts can become disconnected from their roof-jack outlets which is a maintenance issue for whoever owns the Property at the time.

The Sani Report also discusses the addition of stucco to wall areas with the contention that this additional stucco coating caused damage to the wall including sinking. First off, as seen in disclosed photographs the Property walls on the Triplex itself and other walls has had a stucco coating prior to ownership be the Defendants. Secondly, the minor amount of stucco coating added to wall areas is trivial by comparison to the total weight of the wall. The residence walls themselves are standard 3-1/2 inch-thickness brick masonry and as noted earlier in this Report, brick itself weighs approximately 40 pounds per square foot. Therefore a 5-foot-tall wall in one lineal foot would have a weight of 200 pounds (5-foot height x 1-foot length x 40 pounds weight/square foot = 200 pounds). The original existing stucco is a one-coat system over foam based on observed evidence from damaged-stucco areas. At a stucco thickness of 3/8-inch-to-1/2-inch in thickness, this would yield approximately 5 pounds per square foot per side of wall. Since this would most likely not weigh more than 10 pounds per square foot total for both sides which would be another 50 pounds (5-foot height x 1-foot length x 10 pounds weight/square foot = 50 pounds). This 50-pound number is then added to the 200 pounds for a 250-pound total weight for one linear foot of wall. Now if the repair coating might conservatively add another 10 pounds per square foot for both sides of the wall, this increases the walls' weight per lineal foot to 300 pounds. The soil-bearing capacity as seen earlier in this Report is 1500 pounds per square foot (psf). Therefore at 300 pounds per lineal foot distributed over one square foot of ground area (wall-to-slab/footing-interface-to-ground) at 1500 psf, this is significantly under the allowable ground-support capacity as dictated by the International Building Code. Therefore while the Sani Report attempts to make an interesting point, it would be more interesting if this point were supported by the available facts of the situation.

Electrical System: (Sani Report – Section B)

As noted, the Defendants hired, at different points in time, two separate licensed HVAC contractors to install the roof-mounted heat pump HVAC system. There were 3 locations for 110-volt service on the roof for the three previous evaporative coolers. Obviously as part of this HVAC

system, electrical requirements were for 220-volt service versus the in-place 110-volt service. Again, any deficient electrical work related to this 220-volt service situation could have been readily ascertained by an inspection at the time of purchase by the Plaintiff.

As to window-box AC units, as noted there were two units in place as documented by disclosed photographs and the same would also be in place for the subject electrical service. The only action by the Defendants was the relocation of one unit from inside the window frame to below the window frame. This did not require new electrical work as it simply used the existing service.

While the Sani Report finds necessary the wholesale replacement of the entire Property's electrical system, the only issue related to the Defendants concerns the HVAC 220-volt service versus the original in-place 110-volt service at three locations that serviced the three roof-top evaporative cooling units.

Plumbing System: (Sani Report – Section C)

The allegations here are, in part, that in the replacement of the evaporative coolers and heating furnaces with the rooftop heat-pump units, that mistakes were made in disconnecting various plumbing supply lines and gas supply lines. Again the Defendants relied upon the licensed HVAC contractors to properly perform the work which is why they retained these licensed HVAC contractors in the first place.

As to PEX plumbing lines, again, while there was limited interior plumbing work undertaken to install new kitchen cabinets and bathroom vanities, this did not involve inside-the-wall plumbing. Again, with a 63-year old Property and various changes with copper piping, PEX piping, and other plumbing repairs over the years prior to Defendants owning the Property, plumbing issues can arise. Overall this plumbing system at 63 years old concerning supply lines is beyond design life as seen from the Houselogic website [**https://www.houselogic.com/organize-maintain/home-maintenance-tips/types-plumbing-pipes-and-their-lifespans/ (site accessed November 18, 2020)]** excerpted below in Figure 8:

Again, with a 63-year-old Property in 2017 that is now 66 years old in 2020, plumbing problems and issues are to be expected particularly with a rental property. Rental properties experience more-severe-service requirements due to many factors often including a lack of knowledge in order to care for a Property on the part of tenants along with often an uncaring attitude as well.

That the HVAC system water and gas supply lines may have been incorrectly terminated per the Sani Report is the fault of the licensed HVAC contractors. In addition, it is the fault of the Plaintiffs for not conducting requisite inspections of the Property prior to its purchase. Since this issue is apparently open and obvious as per the Sani Report, it would have been open and obvious as well during a pre-purchase inspection.

Your Plumbing Lifespan (bold and red-color emphasis added below)

Supply pipes (under constant pressure and therefore most likely to cause water damange when they leak)	**Brass**	**40-70+ yrs**
	Copper	**50+ yrs**
	Galvanized Steel	**20-50 yrs**
Drain lines	Cast iron	75-100 yrs
	Polyvinyl chloride (known as PVC)	Indefinitely

If your pipes are older than these guidelines from the U.S. Department of Housing and Urban Development Residential Rehabilitation Inspection Guide, it doesn't necessarily mean they need to be replaced. Well-maintained pipes may last longer, and poorly maintained ones or **those in areas with hard water (meaning it has high mineral content), may fail sooner.**

Figure 8 Houselogic Website

Sewer System: (Sani Report – Section D)

The Sani Report is correct in that, most likely, clay pipe was used for the sewer system connection from the Property to the City connection in the Street and that the system dates from 1954. However, there is no evidence of abuse presented just because the system was snaked in an effort to remove clogging contra to the allegations in the Sani Report. In addition, the Sani Report ignores the possibility that if snaking did somehow damage the sewer line that it was only snaking by Defendants that damaged the line and not any snaking that took place in the prior 60-year-plus history of the Property. That's an interesting contention of the Sani Report but how this could be proven is not provided within the content of the Sani Report. Moreover it is a well-known fact that vitrified clay pipe is relatively weak and can be easily penetrated by tree roots in both their normal-growth patterns and in their search for water. Snaking of a sewer does not need to occur for damage to take place from tree roots or soil movement.

Heating System / Cooling System: (Sani Report – Sections E And F)

HVAC System Work By Licensed Contractors:

Originally a package 220-volt 5-ton heat pump (RTU) was installed at the roof area by a licensed HVAC contractor. It should be noted that first, the term 5-ton does not refer to weight but instead cooling capacity as every 12,000 BTUs (British Thermal Units) is called a "ton." Therefore a 5-ton unit is 60,000 BTUs of cooling capacity. The 5-ton unit was then replaced with two 2-ton heat-pump RTUs as there was a disagreement between the tenants as to utility bills since the 5-ton RTU serviced two of the three units in the Triplex. With the two 2-ton RTUs which were also each 220-volt units, then each unit had its own RTU which eliminated tenant disputes over utility bills. The two 2-ton RTUs were installed by a second licensed HVAC contractor. The original cooling source was rooftop evaporative cooling units. The evaporative cooling units were powered by 110-volt power and required a water source. With the evaporative cooling, heat was supplied by a separate system. The advantage of heat pump units is that in one unitary package both heating and cooling can be supplied. However, the heat pump units require 220-volt power instead of 110-volt power. Note that in order to install both the 5-ton RTU and twin 2-ton RTUs that 220-volt power had to be run from the electrical panel to the RTUs themselves. Now it should be noted that residential power coming into the Property is 110-volt so then two 110-volt "legs" are taken and combined to provide 220-volt power. Again, this situation was open and obvious and could have been readily inspected prior to purchase of the Triplex Property. This dual 110-volt feed is done even on new residences in Las Vegas where 220-volt power is needed for HVAC systems, electric ranges, electric dryers, and similar loads. Previous to this heat-pump installation, heating was separately supplied through a furnace located in each unit. These heating units were removed at the same time.

The Sani Report attempts to imply that the presence of a the 5-ton RTU or the two 2-ton RTUs at the rooftop area create substantial weight. The replacement 2-ton RTUs are Goodman Brand GPH14M. As seen in Exhibit 2 attached to this Report, the shipping weight of a 2-ton GPH14M is 380 pounds. It should be noted that shipping weight includes packaging and palletizing of the RTU so install weight is less but then is balanced out by the weight of the roof curb. Therefore, in the below calculations the 380-pound number will be used as a conservative approach. This RTU

weight is within an approximate 4-foot by 4-foot footprint (47-inches x 51 inches) or approximately 16 square feet. Taking 380 pounds into 16 square feet finds a roof loading of 23.75 pounds per square foot. Evaporative coolers essentially consist of a blower/fan, frame, filter media, and water-circulation system. This typical evaporative cooler construction is seen below in Figure 9. It is unknown what brand was used with this evaporative-cooler system but a typical unit weight would be 110 pounds and adding 5 gallons of water at 8.3 pounds/gallon (40 pounds) between water in the sump and filter-media weight would then total 160 pounds.

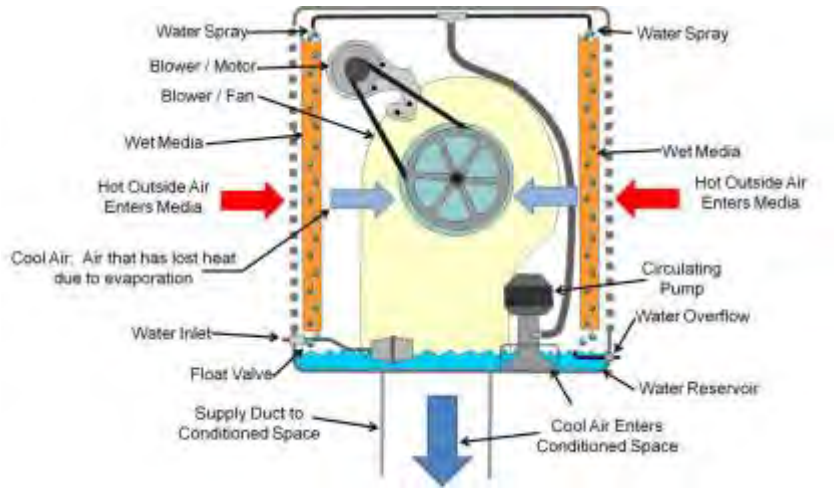


Figure 9 – Evaporative Cooler Construction Example

One must also include the dead-load weight of the roofing materials. Asphalt shingles/roofing felt at 2.35 pounds per square foot, 5/8-inch roof sheathing plywood at 1.875 pounds per square foot, and 2x8 roof rafters at (16 inches o.c.) at 2.1 pounds per square foot totals approximately 6.3 pounds per square foot. Taking a 4-foot strip of roof rafters at 48 inches plus the tributary load on each side at 8 inches x 2 sides equals 64 inches or 5.33 feet. Each half of the roof is approximately 20 feet in length so therefore 20 feet x 5.33 feet x 6.3 pounds per square foot = 639.6 pounds. [Note that material loads/weights are taken from the Western Woods Use Book Design Manual Chapter 5 © 1983 by Western Wood Products Association.]

The Sani Report points to wall cracking and foundation-slab cracking as evidence that the weight of the subject 2-ton RTUs or the previous 5-ton RTU led to this cracking distress. The Triplex appears to this writer and based on this writer's construction experience to have a concrete slab-

on-grade foundation and brick walls. The brick walls appear to be 3-1/2 inches thick and the concrete slab would most likely be 4 inches in thickness. Concrete weighs approximately 150 pounds per cubic foot or with 27 cubic feet in a cubic yard, 4,050 pounds. At 4 inches thick, a cubic yard of concrete will cover 81 square feet of area which is a weight of 50 pounds per square foot (4,050 pounds per cubic yard / 81 SF coverage per cubic yard = 50 pounds per square foot. Brick itself weighs approximately 40 pounds per square foot. Therefore a 4-foot length of wall that is 8-feet in height will weigh 1280 pounds (4-ft. length x 8-ft. height x 40 pounds per square foot = 1280 pounds). Note that the roof rafters are spaced at 16 inches on center and these would support the approximate 4-foot width of the RTU. Therefore 3 roof rafters carry this load. These rafters rest on the brick bearing walls. A 4-foot length of brick wall at 8-feet in height weighing 1280 pounds will also have a 4-foot strip of concrete which at 12 inches in width with therefore 4 square feet of concrete is 200 pounds for a total of 1480 pounds (1280 pounds wall-weight plus 200 pounds slab weight). Note in this calculation, the weight of the roof rafters, roof sheathing, and composition roofing are not included.

So take the roof-system weight at 639.6 pounds, the concrete slab weight/brick masonry wall weight at 1480 pounds, and the weight including water weight of the previous evaporative cooler at 160 pounds then totals 2,279.6 pounds. The evaporative cooler weight at 380 pounds had a net weight addition of 220 pounds (380 pounds new weight – 160 pounds existing = 220 pounds net-weight addition). This additional 220 pounds then produces a new total of 2,449.6 pounds or 9.7 percent more (2449.6 pounds / 2,279.6 pounds = 1.097).

The concrete slab's compressive-strength rating is at least 2,000 psi (psi = pounds/square inch) in direct-load rating. That means that 1 square foot (144 square inches) would obviously support multiples of this amount.

The lowest soil capacity rating given in the 2018 Edition of the International Building Code as seen in Figure 10 below is a minimum of 1500 pounds per square foot so three linear feet of wall with a one-foot width strip is 4500 pounds. Taking the 2449.6 pounds weight that includes the roof system, HVAC heat pump system, brick wall/concrete slab system, this is then 54% of allowable

design capacity versus the 4500-pound soil rating (2449.9 pounds / 4500 pounds = 0.544 x 100 = 54.4%).

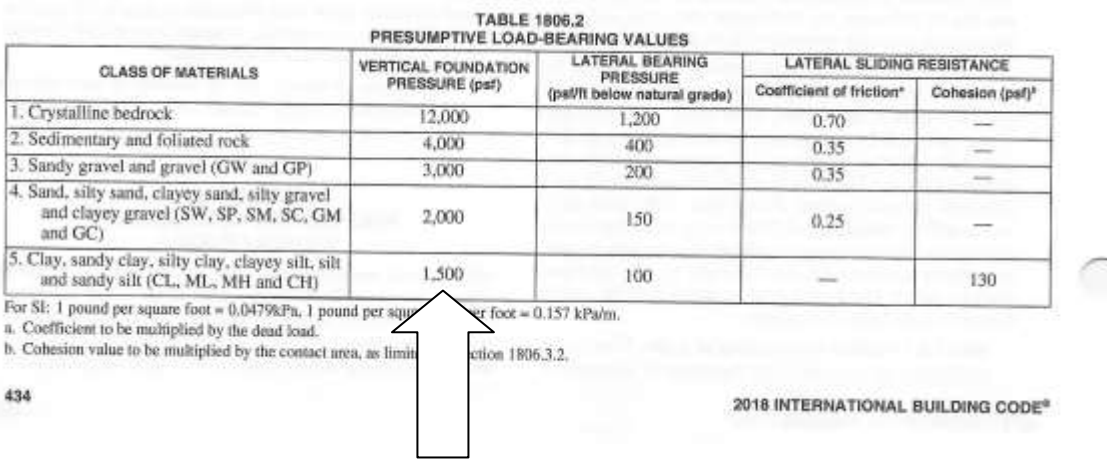


TABLE 1806.2
PRESUMPTIVE LOAD-BEARING VALUES

CLASS OF MATERIALS	VERTICAL FOUNDATION PRESSURE (psf)	LATERAL BEARING PRESSURE (psf/ft below natural grade)	LATERAL SLIDING RESISTANCE	
			Coefficient of friction[a]	Cohesion (psf)[b]
1. Crystalline bedrock	12,000	1,200	0.70	—
2. Sedimentary and foliated rock	4,000	400	0.35	—
3. Sandy gravel and gravel (GW and GP)	3,000	200	0.35	—
4. Sand, silty sand, clayey sand, silty gravel and clayey gravel (SW, SP, SM, SC, GM and GC)	2,000	150	0.25	—
5. Clay, sandy clay, silty clay, clayey silt, silt and sandy silt (CL, ML, MH and CH)	1,500	100	—	130

For SI: 1 pound per square foot = 0.0479kPa, 1 pound per squ... foot = 0.157 kPa/m.
a. Coefficient to be multiplied by the dead load.
b. Cohesion value to be multiplied by the contact area, as limit... ction 1806.3.2.

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Figure 10 2018 Edition International Building Code Table 1806.2 (Page 434) Soil Bearing Values (1500 PSF Value Noted By White Arrow)

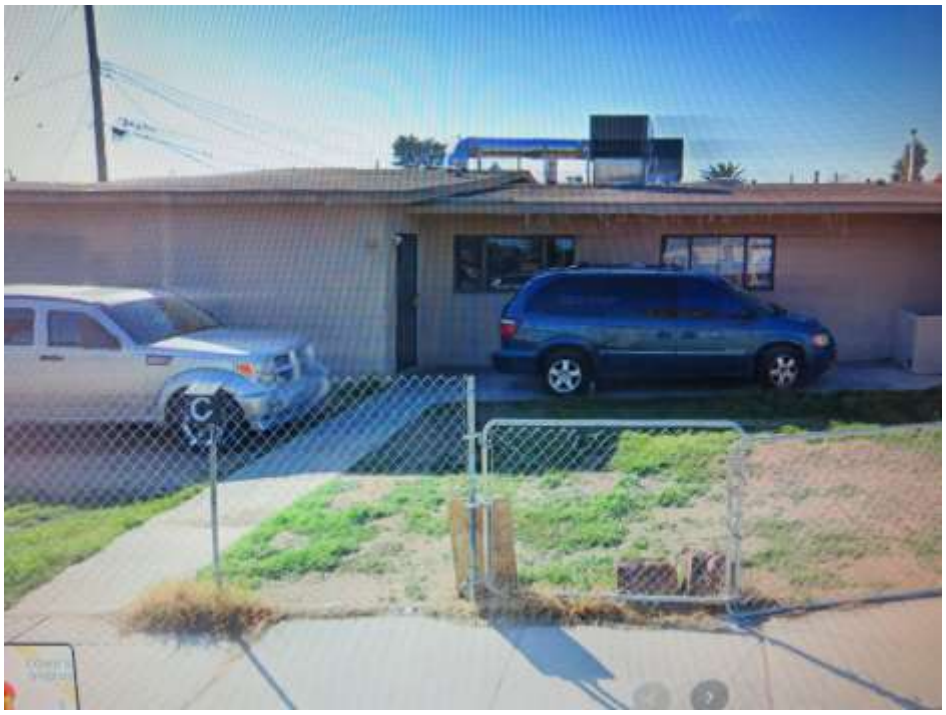
The Sani Report is correct that both concrete slab cracking and wall cracking has taken place. Deteriorated stucco and cracked concrete slabs are seen in the 2017 GLVAR Photos of the Property still currently posted at the website for Zillow Las Vegas [https://www.zillow.com/b/2132-houston-dr-las-vegas-nv-63J2M3/#mmlb-2 site accessed November 18, 2020.] That both cracking in the exterior concrete slabs and exterior stucco walls were evident at the time of sale per the relevant photos from the GLVAR website as seen below with Photographs 1, 2, 3, and 4. Photograph 1 from GLVAR's website (dated 2017) shows the North side of the Triplex (Houston Drive Side) with stucco distress/cracking evident along the North side and with the original-evaporative units in place on roof.. Photograph 2 below from GLVAR's website (dated 2017) is at the West side of the Triplex (Houston Drive Side looking South) with stucco distress/cracking evident along the West side of the Property along with concrete-exterior-slab cracking. These items seen in Photograph 2 are marked with white arrows. Photograph 3 below shows a view looking South at the South patio area. There is clear evidence of concrete slab distress with slab cracking and also stucco-wall distress and repairs to same in Photograph 3 from GLVAR's website taken in 2017. No painting is seen over these stucco repairs on this wall. Photograph 4 is a disclosed photograph taken in 2017 that shows stucco cracking at the East-side walls of the Property (DEF 4000310).

Photograph 1 (GLVAR-Supplied) Note Deteriorated/Distressed Stucco North Side (White Arrows) In 2017

Photograph 2 (GLVAR-Supplied) Note Cracking/Distressed Stucco West Side And Cracked Concrete Slabwork (White Arrows) In 2017

Photograph 3 (GLVAR-Supplied) Note Cracking/Distressed Stucco From South Patio Area On Wall And Cracked Concrete Slab (White Arrows) In 2017

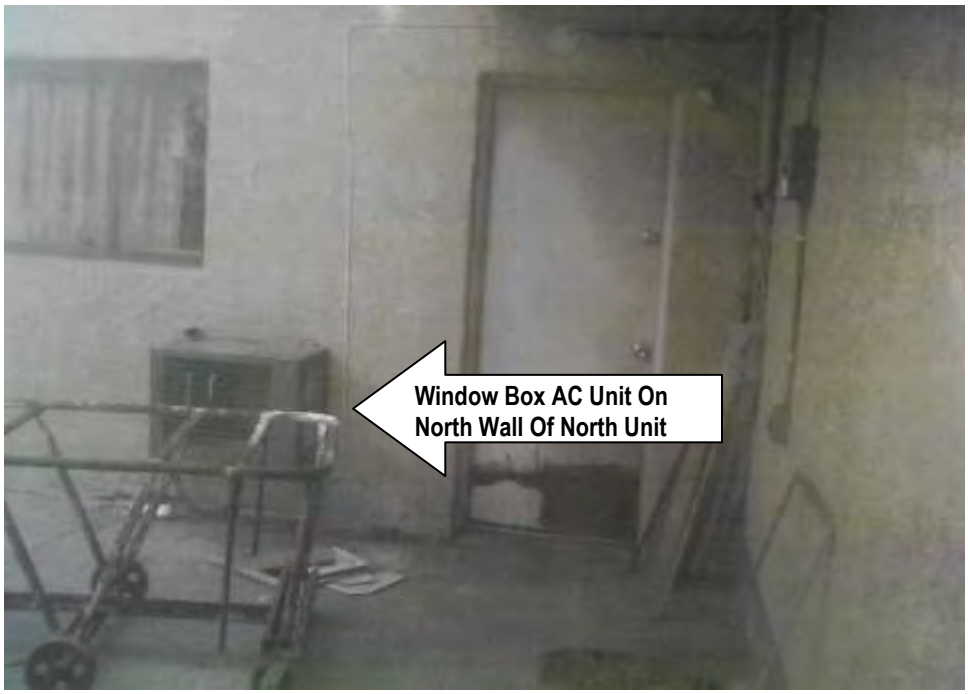
Photograph 4 Stucco Cracking At The East-Side Walls Of The Property (DEF 4000310)



Photograph 5 (From Google Maps – Street View At February 2020) View From Euclid With Minivan Parked On Front Porch And SUV Parked Next To House Wall (East Side Of Triplex)

The above Photograph 5 extracted from Google Maps shows tenants parking their vehicles on the East side of the Property in the yard. The minivan vehicle is parked on the front porch and the SUV is parked nearby next to the East-side wall. Note that each vehicle weighs approximately 4,000 pounds with an average loading per tire on the ground at 1,000 pounds. More importantly these vehicles are parked right next to the Property walls. This writer's experience is that these types of practices can result in vehicles hitting walls or vehicle doors hitting walls which can create cracking and other wall damage.

The Sani Report states that one unit out of the three does not have a permanent heating source. As indicated previously in this Report, the Plaintiff's representative was not able to grant us access to the subject unit. It was indicated to this writer by Mr. Lin that one or both of the window-box AC units also could supply heat. As seen in Photograph 6 below (DEF 4000205), an existing AC unit is seen on the North wall of the North unit and this unit may have also been capable of supplying heating. Of course, contra to the assertions in the Sani Report, this in-wall unit was existing including the opening created in this wall for the unit.



Photograph 6 Window Box AC Unit On Northside Wall (Existing) DEF 4000205

Moisture Conditions And/Or Water Damage: (Sani Report – Section G)

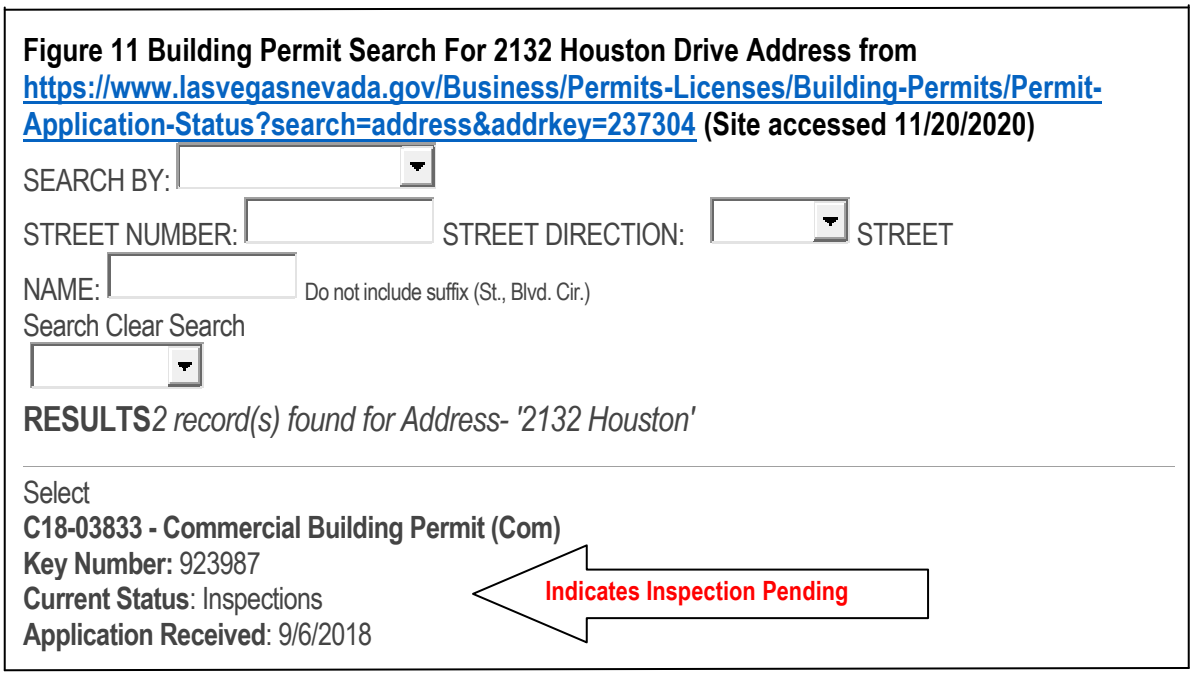
This contention of the Sani Report concerns moisture vented into the attic from bathroom exhaust fans and clothes dryers. However, it should be noted that there are roof-jacks/vents in place at the roof. Moreover Defendants did no work at the attic area but instead used existing connections at the ceiling areas. Since Defendants did no work at the attic areas, the conditions complained about as to venting and ducting were present at the Property prior to Defendants owning the Property. Bathroom renovation does not require permits and inspections per City of Las Vegas Building Department Regulations when it comes to finish work such as tiling, cabinetry, and replacement of sinks and shower heads. Defendants had no inside-wall plumbing work done as to install a new sink merely requires completing connections that are exterior to the wall itself. That there may be leaks with the plumbing system in a 60-year-old-plus Property is not surprising given its age.

Roof: (Sani Report – Section H)

The contention here is that placement of the roof-top 2-ton heat pump units and the previous placement of the 5-ton unit damaged the roofing system. As noted, each of the Goodman 2-ton

units added a net weight of 220 pounds (380 pounds heat-pump weight – 160 pounds evaporative-cooler weight) and this weight is spread out over 16 square feet of roof area so the net difference is 13.75 pounds per square foot. The 5-ton unit of the same Goodman brand would be at 495 pounds or a net difference of 335 pounds or 20.93 pounds per square foot. This writer's inspection at the roof area found no noticeable sagging from the installation of these roof-top heat-pump units. Again, the Defendants hired licensed HVAC contractors for this work and relied upon the expertise of these contractors. The Sani Report is correct in that based upon an online search, there does not appear to be a building permit or associated inspection for this work per Figure 11 below from the City of Las Vegas Website (**https://www.lasvegasnevada.gov/Business/Permits-Licenses/Building-Permits/Permit-Application-Status?search=address&addrkey=237304 (Site accessed November 19, 2020)**. As to wind-load calculations, the Triplex Property is, of course, a single-story building and therefore presents a lower-wind profile than would a two-story property. In addition, the question here would be whether or not the wind profile of the heat pump units would differ significantly from that of the previous evaporative cooling units. The contention here also relates to venting into the attic that it is contended has damaged the roof. Again, the Defendants did no work in the attic with venting. The Sani Report contends that due to the work and re-work on the roof that this had led to roof leaks when it rains. Further concerning the information seen in Figure 11, based upon what

Figure 11 Building Permit Search For 2132 Houston Drive Address from https://www.lasvegasnevada.gov/Business/Permits-Licenses/Building-Permits/Permit-Application-Status?search=address&addrkey=237304 (Site accessed 11/20/2020)



Project Name: Unit A
Address: 2132 HOUSTON DR
Type of Work: Over the counter
Permit Issued: 9/6/2018
Expiration Date: 3/27/2019 -- Please contact Building and Safety at 702-229-6251
Scope of Work: ELECTRIC METER TAG, PANEL CHANGE OR SERVICE CHANGE (Schedule a 231 inspection for service change) (1)

Select
R18-13147 - Residential Building Permit (Res)
Key Number: 927848
Current Status: Completed
Application Received: 10/3/2018
Project Name: 2132 Houston St.
Address: 2132 HOUSTON DR
Type of Work: Wall Fence
Permit Issued: 10/3/2018
Scope of Work: Chain Link Fence

Figure 11 *(Continued)* Building Permit Search For 2132 Houston Drive Address from City Of Las Vegas Website https://www.lasvegasnevada.gov/Business/Permits-Licenses/Building-Permits/Permit-Application-Status?search=address&addrkey=237304 (Site accessed 11/20/2020)

Is showing with the City of Las Vegas Website, there have never been any permits taken out on this Property for either original construction or remodel work over the years except for these two lone permits in 2018. Related to the lack of HVAC permits may be that somehow any permits were either misfiled or with additional research, other permits may be located in the future. In addition, it should be noted as seen in Figure 11 above that the electrical-permit work has never been inspected for this permit issued to Plaintiffs in September 2018.

Fungus / Land (Sani Report – Sections H (sic) And J)

Previously covered by this writer in other areas of this Report.

Sani Report - $650,000 Construction Cost-To-Repair Estimate

Alleged as construction defects is a list of items totaling $650,000 as the Sani Estimate within the Sani Report (Exhibit 3). The Triplex Property is 2167 square feet that sold for approximately $200,000 or $92.29 per square foot which, of course includes the land's value as a corner lot

within the sales price. At the $650,000 cost to "repair" this 2167 square foot Property yields a unit cost of $299.95 per square foot. This is simply nonsensical that a 63-year old Property would cost 3 times [$299.95 per SF / $92.29 per SF = 3.25 times] its original purchase price to repair. This Sani Report Estimate has been copied and is re-formatted as Figure 12 below. The Sani Estimate within the Sani Report is accompanied by a brief description of the reason for the line-item cost but no unit prices and instead simply lump-sum line items.

Item No.	Defect Repair	Cost ($)
1	Structural Defects	150,000
2	Electrical System	70,000
3	Plumbing System	60,000
4	Sewer System	60,000
5	Heating System	15,000
6	Cooling System	60,000
7	Moisture/Water Damage	40,000
8	Roof	70,000
9	Fungus/Mold	50,000
10	Flooring	25,000
11	Foundation	50,000
	Total	$650,000

Figure 12 – Sani Report Of Estimated Cost To Correct At $650,000

The basis of the Sani Estimate is nonsensical in the first place and there is nothing seen from this Sani Report that was not present at the time of sale of the Triplex Property. There were cracks in the stucco system and concrete slab system existing in 2017. Roof venting/duct venting had not been changed by Defendants and was existing in 2017 and could have been inspected by Plaintiff. Since 2017 there may have been additional cracking that has taken place due to soils movement but as previously demonstrated through fundamental construction-system calculations in this Report, this wall or floor cracking is not related to work by the Defendants. Moreover plumbing leaks and sewer issues may take place but these issues are to be expected with the Property that is now 66 years old.

The Sani Estimate states that defects with the heating/cooling system will cost $75,000 ($60,000 cooling and $15,000 heating) to repair. As a comparison, the two 2-ton heat pump units cost a total of $7,600 to install or about 10% of the Sani Estimate and these units, of course, provide both heating and cooling. It should also be noted that brand-new houses of comparable-square-foot

size are being sold in 2020 for approximately half the amount of the $650,000 total contained in the Sani Estimate. Notably the prices of these new houses include new-street utilities and new-paved streets and are in new neighborhoods that may be considered more desirable that this subject-1950s-era neighborhood.

In this writer's experience, construction-defect estimates contain the scope of work as to units and the associated unit costs. In limited exceptions, certain items may be estimated on a lump-sum basis. The Sani Estimate is completely comprised of lump-sum items and therefore cost comparisons are not possible. However, the single most-significant problem with the Sani Estimate as seen above in Figure 12 is that it relies on fundamentally-flawed assumptions as to the source of distress seen at the Triplex Property. Given these flawed assumptions that ignore underlying issues such as failure to inspect, soil-movement issues and ground-water movement at the Property, means that, of necessity, that any rational basis for this Sani Estimate also is a failure.

SUMMARY:

In summary, the Triplex Property at the time of sale in 2017 was 63 years old having been built in 1954. Photographs taken in 2017 at the time of sale/prior to sale to Plaintiff clearly show cracking in stucco walls and cracking in the concrete slab-on-grade. This would indicate soils movement in the past or something that is an ongoing issue. Soils in this area based on this writer's 30-plus years in the Las Vegas Valley consist of silts, clays, and sulfate-laden soils that can be problematic and result in soil movement. In addition, the Property's location at a lower elevation in the Las Vegas Valley can mean groundwater issues that can also contribute to soil-movement problems.

The Property's age means that numerous features are at/past their design life such as the sewer system and plumbing system. This sewer system, based on this writer's experience and the age of original construction, would be clay tile. The Defendant, TKNR, et al., had hired licensed HVAC contractors to install HVAC work at the Property. This HVAC work, since the heat pump units were powered by 220-volt service instead of the existing 110-volt service, by necessity, required additional power. There were three separate 110-volt services for three evaporative cooling units up on the roof prior to the heat-pump substitution. Any deficiencies with this electrical installation were open, obvious and could have been inspected prior to purchase as with all other items with this Triplex Property. Any cracks such as wall or floor cracks subsequent to the purchase would obviously be new but again this occurs even on new homes across the Las Vegas Valley and elsewhere.

Based on a building-permit search, there are no permits on file for the Property save for two permits pulled in 2018 which would indicate at face value that the Triplex does not exist which, of course, is not the case. Other permits for the original Property's construction and subsequent remodeling work may be found in the future with further research.

Other work such as tile flooring, wall-finish work, painting, and cabinetry was done by others hired by the Defendant. As per City of Las Vegas Building Department Requirements, none of this subject work required building permits contra to the assertions by Plaintiff as seen in the Sani Report.

The Sani Estimate of cost to correct yields a total lump-sum cost of $650,000 for this Property and in comparison this Property was sold for $200,000 in 2017. Notably new properties of comparable square footage on new-paved streets with new-street utilities in new-more-desirable neighborhoods than this 1950s-era neighborhood are selling for half the cost of the $650,000 contained in the Sani Estimate. It should be noted that these new-house prices also include the land cost. Even if the Property was demolished down to the ground with a pad-up rebuild, costs for completely new construction would be less than are seen in the Sani Estimate. The Sani Estimate only contains lump-sum prices for gross line items rather than units such as square-foot costs and unit pricing as commonly seen in the construction industry with construction cost-to-correct estimates. The single largest flaw in the rationale behind the Sani Estimate is that the actions of the Defendants are the reasons for the corrective actions required at the Property. As this Report has demonstrated, the reasons for issues such as wall cracking and slab cracking are due to underlying soils/groundwater issues.

The opinions and analysis in this Report are offered within a reasonable degree of scientific and engineering certainty. If there are any questions regarding this matter or if there is any new information, please contact myself. Thank you for contacting us on this case.

Sincerely,

Neil Opfer
Construction Expert

CC: Exhibit 1 – List of Reviewed Information
Exhibit 2 – Goodman Heat Pump Specs With 2-Ton And 5-Ton Unit Weights – Excerpt
Exhibit 3 – Sani Report Of Construction Defects
Photo CD w/ Index Prints

Exhibit 1 – List Of Reviewed Information

Item No.	Description
1	Plaintiff's Initial Disclosure
2	Defendant's Initial Disclosure
3	Defendant's First Supplement
4	Defendant's Demand For Site Inspection
5	Defendants' First Amended Answer, Counterclaim, And Third Party Claim
6	Defendants' Fourth Supplement To Initial Disclosures Of Documents And Witnesses
7	Miscellaneous Websites Including Zillow And City Of Las Vegas Building Department

Exhibit 2 Goodman Specifications With Respective Weights Of 2-Ton And 5-Ton Units (Page 1 Of 2)

Goodman
Air Conditioning & Heating

GPH14M

COOLING CAPACITY: 24,000 - 58,000 BTU/H
HEATING CAPACITY: 23,000 - 57,000 BTU/H

PACKAGED HEAT PUMP
2 TO 5 TONS
14 SEER / 8.0 HSPF

Contents

Standard Features

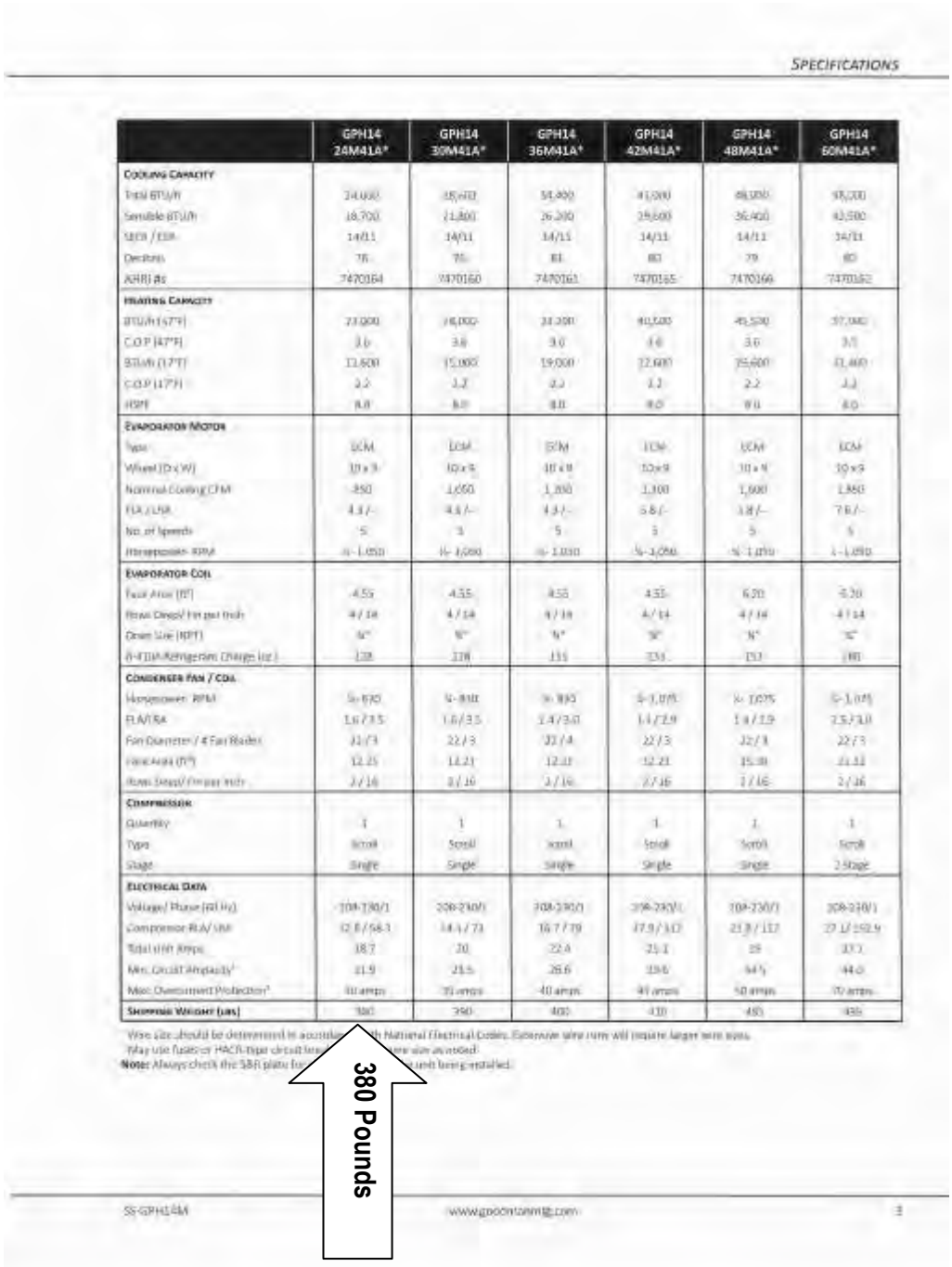
- Energy-efficient scroll compressor
- Multi-speed ECM indoor blower motor
- Convertible airflow: horizontal or downflow
- Copper tube/aluminum fin condenser coil
- All-Aluminum evaporator coil
- Liquid-line filter drier
- 5 kW to 20 kW electric heat kit available as a field-installed option
- AHRI Certified® ETL Listed

Cabinet Features

- Heavy gauge galvanized steel cabinet with attractive Architectural Gray powder-paint finish
- Aluminum foil-faced internal insulation reinforced with fiberglass scrim
- Fully insulated air handling compartment with convenient access panels
- Louvered condenser coil protection
- Meets cabinet air leakage requirements when tested in accordance with ASHRAE standard 193
- One footprint for all tonnages

10 YEAR PARTS LIMITED WARRANTY* | 2 YEAR UNIT LIMITED WARRANTY*

Exhibit 2 Goodman Specifications With Respective Weights Of 2-Ton And 5-Ton Units (Page 2 Of 2)



SPECIFICATIONS

	GPH14 24M41A*	GPH14 30M41A*	GPH14 36M41A*	GPH14 42M41A*	GPH14 48M41A*	GPH14 60M41A*
COOLING CAPACITY						
Total BTU/H	24,000	28,400	34,800	41,000	46,000	58,200
Sensible BTU/H	18,700	21,800	26,200	29,600	36,400	42,500
SEER / EER	14/11	14/11	14/11	14/11	14/11	14/11
Decibels	76	76	81	80	79	80
AHRI #s	7470164	7470160	7470161	7470165	7470166	7470162
HEATING CAPACITY						
BTU/H (47°F)	23,000	28,000	34,200	40,500	46,500	57,000
C.O.P (47°F)	3.6	3.6	3.6	3.6	3.6	3.5
BTU/H (17°F)	13,600	15,800	19,000	22,600	25,600	31,400
C.O.P (17°F)	2.2	2.2	2.2	2.2	2.2	2.2
HSPF	8.8	8.8	8.8	8.8	8.8	8.8
EVAPORATOR MOTOR						
Type	ECM	ECM	ECM	ECM	ECM	ECM
Wheel (D x W)	10 x 9	10 x 9	10 x 9	10x9	10 x 9	10 x 9
Nominal Cooling CFM	950	1,050	1,350	1,300	1,600	1,850
FLA / LRA	4.3 / -	4.8 / -	4.3 / -	5.8 / -	3.8 / -	7.8 / -
No. of Speeds	5	5	5	5	5	5
Horsepower- RPM	½ - 1,050	½ - 1,050	½ - 1,050	½ - 1,050	½ - 1,050	1 - 1,050
EVAPORATOR COIL						
Face Area (ft²)	4.55	4.55	4.55	4.55	6.20	6.20
Rows Deep/ Fin per Inch	4 / 14	4 / 14	4 / 14	4 / 14	4 / 14	4 / 14
Drain Size (NPT)	¾"	¾"	¾"	¾"	¾"	¾"
R-410A Refrigerant Charge (oz.)	128	128	155	155	150	180
CONDENSER FAN / COIL						
Horsepower- RPM	½- 830	½- 830	½- 830	½- 1,075	½- 1,075	½- 1,075
FLA/ LRA	1.6 / 3.5	1.6 / 3.5	2.4 / 3.0	1.4 / 2.9	3.8 / 7.9	2.5 / 3.0
Fan Diameter / # Fan Blades	22 / 3	22 / 3	22 / 4	22 / 3	22 / 3	22 / 3
Face Area (ft²)	12.21	12.21	12.21	12.21	15.38	21.33
Rows Deep/ Fin per Inch	2 / 16	2 / 16	2 / 16	2 / 16	2 / 16	2 / 16
COMPRESSOR						
Quantity	1	1	1	1	1	1
Type	Scroll	Scroll	Scroll	Scroll	Scroll	Scroll
Stage	Single	Single	Single	Single	Single	2 Stage
ELECTRICAL DATA						
Voltage/ Phase (60 Hz)	208-230/1	208-230/1	208-230/1	208-230/1	208-230/1	208-230/1
Compressor RLA/ LRA	12.8 / 58.3	14.1 / 73	16.7 / 79	17.9 / 113	21.8 / 137	27.1/ 162.9
Total Unit Amps	18.7	20	22.9	25.1	29	33.1
Min. Circuit Ampacity[1]	21.9	23.5	26.6	29.6	34.5	44.0
Max. Overcurrent Protection[2]	30 amps	35 amps	40 amps	40 amps	50 amps	70 amps
SHIPPING WEIGHT (LBS)	360	390	400	410	485	495

Wire size should be determined in accordance with National Electrical Codes. Extensive wire runs will require larger wire sizes.
May use fuse or HACR-type circuit breaker. Wire size as noted.
Note: Always check the SER plate for ... unit being installed.

380 Pounds

SS-GPH14M www.goodmanmfg.com 3

Exhibit 3 Sani Report

Expert Testimony Report
By
Amin Sani
President of Arvin Construction Co.
General Contractor License # 86070
RE : 2132 Houston Dr
Las Vegas, NV 89104

Miao v. TKNR, INC et al
Case # A-18-785917-C
Plaintiff's Expert Witness Disclosure
Page 164
a. Structure defect.
1. Three old small swamp coolers were removed without UBC required permits and inspections.
2. One **5**-tons heat pump package unit systems on the one roof top area with ducting system for the whole building were installed without UBC required weight load and wind load calculations, permits and inspections.
Due to the **5-tons** heat pump package unit being too big, too heavy and having control problems, later **5-tons** heat pump package system were also removed without UBC required permits and inspections.
3. Two new **2-tons** heat pump package units on the two roof top areas for Unit B and Unit C with two new ducting systems were installed without UBC required weight load and wind loan calculations, permits and inspections again.
4. Two new window holes on exterior walls were opened for two window cooling units in Unit A without UBC required structure calculation, permits and inspections.
All these roof top and wall modifications damaged the whole building structure.
Further, the moisture condition behind tile walls due to faucets leaking also damaged the building structure.
The high moisture exhaust bathroom gas and from the washer/dryer combination unit exhaust gas were vented into ceiling without UBC required permits and inspections and this also damaged the building structure.
Miao v. TKNR, INC et al
Case # A-18-785917-C
Plaintiff's Expert Witness Disclosure
Page 165
The new layers stuccos were putted on existing center block wall without UBC required permits and inspections. These add additional weight on exterior wall and cause wall cracking and sinking.
The recent inspection of the exterior wall found multiple cracks which indicates

structural problems caused by the heavy weight load on the roof and wall. The estimated cost for remove existing wall and footing and redone all walls, footings now is about $150,000.

b. Electrical System

I found out that many new electric lines were added and many old electric lines were removed in apartments. One 220v power supply line for new 5-ton heat pump package unit was installed without permit and inspections.

Later, the 5-ton heat pump packaged unit power supply lines was removed and two new 220v power supply lines for two new 2 ton heart pump package units were installed without permits and inspections.

The two new 110 volt power supply line for two window cooling units for Unit A were also installed without permits and inspections. The new circle for new window AC in bedroom was tied in existing breaker. Two circle used one breaker which is illegal and not code permitted. Inside unit a break box was needed to upgrade to add additional circle breaker. All the electrical supply line addition and removal work were performed without code required electrical load calculation, permits and inspections.

The unlicensed and unskilled workers to do the electrical work and used low

quality materials and used inadequate electrical supply lines. This substandard work may lead electrical lines to overheat and cause fires in the attic when tenant electrical load is high.

The total cost to redone and replace all electrical system is about $70,000 now.

c. Plumbing System.

I found that that many high pressure water supply lines were replaced to new PEX plastic line not original old copper line and swamp coolers water supply lines were removed and plugged without UBC required permits and inspections.

The unlicensed and unskilled workers who just plugged high pressure water supply lines at rooftop instead of at ground level and who did not remove the water supply lines on top of the roof, inside the attic and behind the drywall. In cold winter, the high pressure water line which was left inside the building may freeze and break the copper line and lead flooding in the whole building.

The unlicensed and unskilled workers to remove and plug natural gas lines for the natural gas wall furnaces without UBC required permits and inspections.

The unlicensed and unskilled workers with little knowledge of natural gas pipe connection requirements. The unlicensed and unskilled workers used the wrong sealing materials and these sealing materials may degrade and lead to natural gas leaks and accumulation inside the drywall and the attic which may cause an explosion or fire.

The unlicensed and unskilled workers to completely renovate all three

Case # A-18-785917-C
Plaintiff's Expert Witness Disclosure
Page 167

bathrooms in the Subject Property without UBC required permits and inspections. Some faucets and connections behind tile walls and drywall leak and are causing moisture conditions behind tile walls and drywalls.
The estimated cost to recheck, redone and replace old water supply and gas line system now will be $60,000

d. Sewer System.

The subject property was built in 1954. Clay pipes were used at that time for sewer lines. The unlicensed and unskilled workers were used to snake the clay sewer pipes may break the clay sewer pipes and cause future tree root grown into sewer lines and clogs in sewer lines. Licensed contractors must be hired to snake sewer pipes. The recent clog in sewer line may also cause by broken sewer line due to wall cracking sinking too.
The estimated cost to replace sewer system now is about $60,000

e Heating System

We found that the natural gas wall heating systems for unit A, B, C were disabled without UBC required permits and inspections. The unlicensed and unskilled workers with little knowledge about natural gas pipe connection requirements may used the wrong sealing materials. These sealing materials. may degrade and lead to a natural gas leak inside the drywall and the attic and may cause and explosion or fire. The recheck and reseal of natural gas lines and connection is required.
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Plaintiff's Expert Witness Disclosure
Page 168

The two electrical heat pump heating systems were installed without UBC required permits and inspections for Unit B and Unit C. The Unit A does not have an electrical heat pump heating system nor a natural gas wall furnace heating system now. Unit A has to use portable electrical heaters.
The estimated cost to recheck and removal old natural gas heating system is $15,000

f. Cooling System

The old swamp cooler systems were removed without UBC required permits and inspections. The unlicensed and unskilled workers to disconnect water supply lines, cover swamp cooler ducting holes, and disconnect 110V electrical supply lines.
Further, as early as March of 2016, Air Supply Cooling installed one 5-ton new heat pump package unit with new rooftop ducting systems on one roof area to supply cooling and heating air to the whole building consisting of Unit A, Unit B and Unit C without UBC required weight load and wind load calculations, permits and inspections. The 5- ton heat pumps package unit was too big, too heavy and had control problems for whole building. It was removed without UBC required permits and inspections. In early June, 2017, The AIR TEAM to

installed two new 2-ton heat pump package units, one each for Unit B and Unit C. The two window cooling units were also installed in Unit A's exterior walls. All of the above work was done without UBC required permits and inspections.

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The old, uninsulated swamp cooler ducts were used and were not replaced with new insulated HVAC ducts as the UBC required. This resulted in the heat pump package units being overloaded and damaged during cooling season because cool air was heated by uninsulated attic hot air before delivering the cooled air to the rooms. The old, uninsulated swamp cooler ducts were also rusted and leaked due to high moisture air from the bathroom vent fans and the clothes washer/dryer combination unit exhaust vents. The heat pumps would run all the time but still could not cool the rooms.

The estimate cost to remove existing roof top heat pump systems is about $10,000.

To reduce roof weights and protect building structure, the total 10 mini splitters heat pump systems were required to put on the ground with estimated cost of $50,000.

g. Moisture conditions and or water damage.

The high moisture bathroom exhaust vent and washer/dryer combination unit exhaust vent were vented into the ceiling attic area instead of venting outside the building roof without UBC required permits and inspections. The improper ventings caused high moisture conditions in ceiling and water damages in ceiling and attic. The high moisture conditions in the ceiling and attic destroyed ceiling insulations, damaged the roof decking, damaged roof trusses and damaged that roof structure supports.

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Plaintiff's Expert Witness Disclosure
Page 170

All three bathrooms were completed renovated without UBC required permits and inspections. Some faucets and connections behind tile walls and drywall leaks and caused moisture conditions behind tile walls and drywalls.

The estimated cost to fix all these moisture issues now is about $40,000

h. Roof.

The roof of the Subject Property was damaged by changing roof top Heating, Cooling and Venting and ducting systems multiple times. The existing swamp coolers were removed from roof top and covered the swamp coolers ducting holes. A 5-ton heat pump package unit with a new ducting system on one roof top area was installed. Later The 5-ton heat pump package unit with part of the ducting system from the one roof top area was removed. The two 2-ton heat pump package units on the two roof top areas were installed. All of this

renovation, demolition, and construction work was done without UBC required weight load and wind load calculations, permits and inspections.
The heavy wind and dead weight load of Heating, Cooling heat pump systems cause roof unstable and moving.
The high moisture bathroom exhaust gas and washer/dryer combination unit exhaust gas were vented into the ceiling attic area instead of venting outside the building roof. These cause wood decay inside roof. And weak the roof structures
The work damaged the roof of the Subject Property to such an extent that when it rains the roof leaks.

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Page 171

The estimate cost to remove existing roof and replace with new roof and structure is $70,000.

h. Fungus or mold problems.

The bathroom high moisture went fans and the washer/dryer combination unit exhaust gas were vented into the ceiling and attic without venting outside of the roof. All of this renovation, demolition, and construction work was done without UBC required permits and inspections and this damaged the building structure and create molds. The black color fungus mold was found inside ceiling and attic.
The estimated cost to remove black color fungus mold from ceiling and attic now is $50,000.
i. Flooring.
The low quality cheap ceramic tiles were installed on the loose sandy ground rather than on a strong, smooth, concrete floor base. Mass quantities of floor ceramic tiles cracked and the floor buckled. These cracked ceramic tiles may cut tenants' toes and create a trip and fall hazard. These are code violations had to be repaired.
The estimated cost for relevel, repair and replace flooring is $25000

j. Problems with the land/foundation

The large quantities of floor tiles cracked and the floor buckled were found in apt units. This indicated that there have foundation problems likely due to heavy loads by the new HVAC systems and the venting of moisture into the ceiling and attic and new stuccos lays. Too

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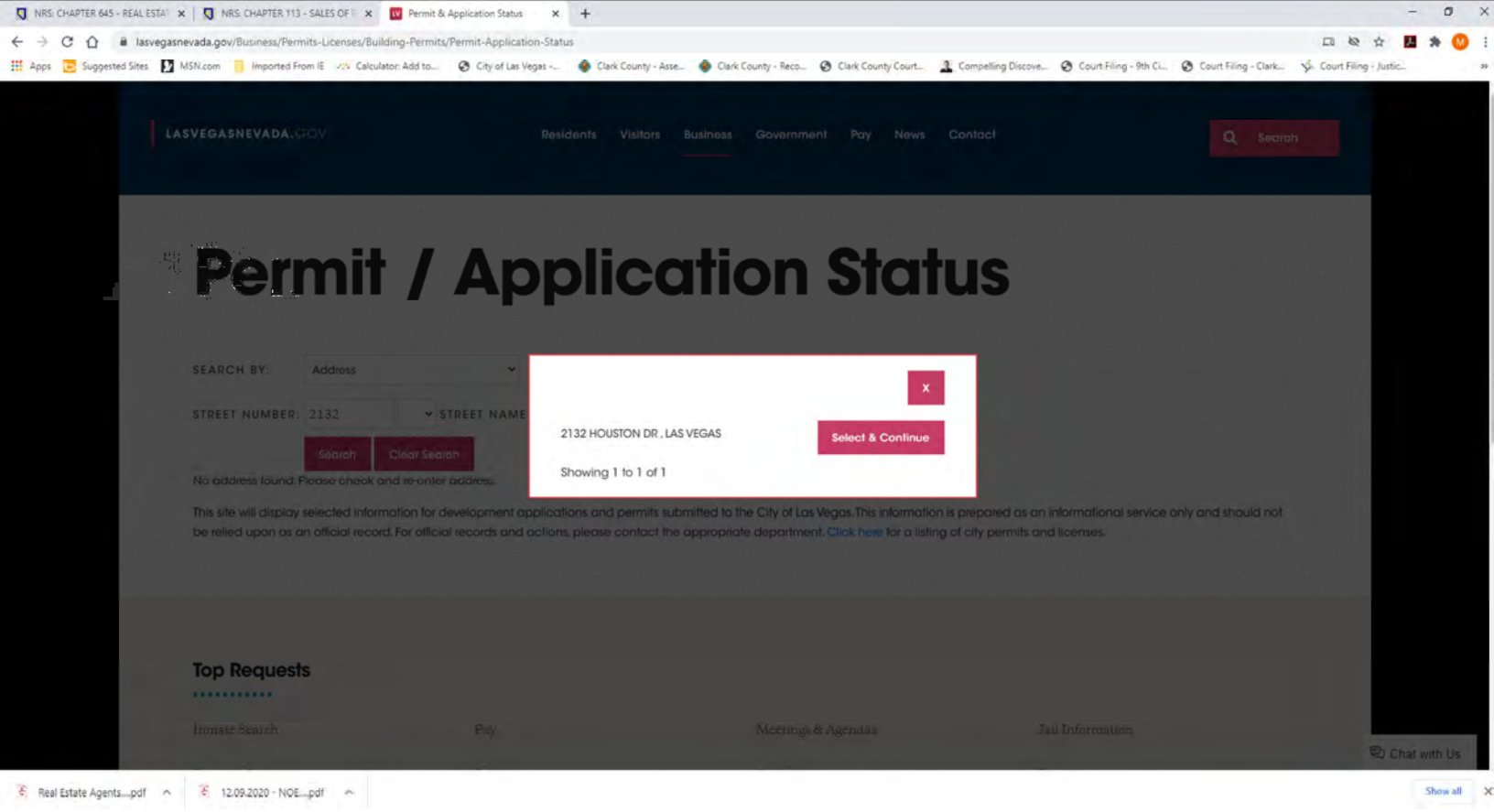
Plaintiff's Expert Witness Disclosure
Page 172

much weight loads on the walls caused exterior wall cracking.
The estimated cost for replace footing and foundation is $50,000

EXHIBIT H

EXHIBIT H


NRS: CHAPTER 645 - REAL ESTATE
NRS: CHAPTER 113 - SALES OF R
Permit & Application Status
lasvegasnevada.gov/Business/Permits-Licenses/Building-Permits/Permit-Application-Status
LASVEGASNEVADA.GOV
Residents
Visitors
Business
Government
Pay
News
Contact
Search
Permit / Application Status
SEARCH BY:
Address
STREET NUMBER:
2132
STREET NAME
Search
Clear Search
No address found. Please check and re-enter address.
x
2132 HOUSTON DR , LAS VEGAS
Select & Continue
Showing 1 to 1 of 1
This site will display selected information for development applications and permits submitted to the City of Las Vegas. This information is prepared as an informational service only and should not be relied upon as an official record. For official records and actions, please contact the appropriate department. Click here for a listing of city permits and licenses.
Top Requests
Inmate Search
Pay
Meetings & Agendas
Jail Information
Chat with Us
Real Estate Agents....pdf
12.09.2020 - NOE....pdf
Show all

Select

C18-03833 - Commercial Building Permit (Com)
Key Number: 923987
Current Status: Inspections
Application Received: 9/6/2018
Project Name: Unit A
Address: 2132 HOUSTON DR
Type of Work: Over the counter
Permit Issued: 9/6/2018
Expiration Date: 3/27/2019 – Please contact Building and Safety at 702-229-62
Scope of Work: ELECTRIC METER TAG, PANEL CHANGE OR SERVICE CHANGE (Sc
inspection for service change) (1)

Select

R18-13147 - Residential Building Permit (Res)
Key Number: 927848
Current Status: Completed
Application Received: 10/3/2018
Project Name: 2132 Houston St.
Address: 2132 HOUSTON DR
Type of Work: Wall Fence
Permit Issued: 10/3/2018
Scope of Work: Chain Link Fence

This site will display selected information for development applications and permits submitted to the
information is prepared as an informational service only and should not be relied upon as an officia
actions, please contact the appropriate department. Click here for a listing of city permits and licen

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City Of Las Vegas

Las Vegas City Hall

495 S. Main St.
Las Vegas, NV 89101

Phone: 702-229-6011
TTY 7-1-1
An All-America City

EXHIBIT I

EXHIBIT I

MICHAEL B. LEE, P.C.
1820 E. SAHARA AVE., SUITE 110
LAS VEGAS, NEVADA 89104
TEL – (702) 477.7030; FAX – (702) 477.0096

DECLARATION OF KENNY LIN

KENNY LIN, being first duly sworn, deposes and says that he has personal knowledge and is competent to testify to the facts below. The facts stated herein are true to the best of my own personal knowledge, except for those facts stated upon information and belief, and as to those facts, I believe them to be true.

1. I have personal knowledge of the events related to WLAB Investment, LLC's ("Plaintiff") case against Defendants TKNR INC. ("TKNR"), CHI ON WONG ("WONG"), KENNY ZHONG LIN ("LIN"), LIWE HELEN CHEN ("CHEN"), YAN QIU ZHANG ("ZHANG"), INVESTPRO LLC ("INVESTPRO"), MAN CHAU CHENG ("CHENG"), JOYCE A. NICKRANDT ("NICKRANDT"), INVESTPRO INVESTMENTS, LLC ("Investments"), and INVESTPRO MANAGER LLC (hereinafter collectively referred to as the "Defendants") related to the purchase of 2132 Houston Drive, Las Vegas, NV 89104 ("Property").

2. On August 2, 2017, TKNR submitted its Seller Disclosures timely indicating all known conditions of the Subject Property. TKNR disclosed that "3 units has (sic) brand new AC installed within 3 months," and further that the "owner never resided in the property and never visited the property." I had also directly told Ms. Zhu and Frank Miao ("Miao") that TNKR had only done minor renovations, such as painting, was conducted by its "handyman", which we also disclosed in the Seller's Disclosures. As to the handyman work, we noted in the disclosures that TKNR had done construction, modification, alterations, or repairs without permits.

3. During all times relevant, I kept telling Ms. Zhu and Mr. Miao that they needed to get an inspection done on the Property.

4. Despite these disclosures, Plaintiff chose not to inspect the Subject Property, request additional information, and/or conduct any reasonable inquires.

5. At the time that TKNR had done renovations on the Property, it was limited to changing countertops, cabinets, vanities, and other minor work that did not involve opening walls or remodeling improvements. The only condition that we were aware of at the time that TKNR owned the Property related to tenant complaints about it being too hot. In that light, we retained a licensed contractor, The Air Team, to install separate HVAC units for two units to

keep it cooler for the tenants. We also updated a box HVAC unit that supplied both heating and air conditioning to the third unit. As to the HVAC work, we completely relied upon The Air Team to do the work, which included acquiring any permits. Either way, we had disclosed the work on the HVAC unit to Ms. Zhu and Mr. Miao through multiple conversations and through the disclosures.

6. No Defendant was aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property before the time of the sale to Ms. Zhu. Nor was any Defendant aware of any issues with any structural, electrical, plumbing, sewer, mechanical, roof, fungus/mold, flooring, and/or foundation issues with the Property at the time of the sale to Ms. Zhu.

7. We disclosed any material and relevant facts, data or information which we knew, or which by the exercise of reasonable care and diligence should have known, relating to the Property. Nevertheless, we kept encouraging Mr. Miao and Ms. Zhu to have an inspection done.

8. I have reviewed Plaintiff's expert report. We were not aware of any of the alleged conditions that "materially affects the value or use of residential property in an adverse manner", and did not realize, perceive, or have knowledge of that defect or condition. We, again, disclosed that TKNR did not reside or visit the property, and that the only issue we were aware of related to the air condition.

9. We did not know about any of the alleged conditions identified in Plaintiff's expert report as we had no realization, perception, or knowledge of them.

10. The original settlement demand we received from Plaintiff was $10,000.00.

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

FURTHER DECLARANT SAYETH NAUGHT

DATED this 12 day of December, 2020.

Authentisign
Kenny Lin
12/12/2020 | 4:03 PM PST

KENNY LIN

MICHAEL B. LEE, P.C.
1820 E. SAHARA AVE., SUITE 110
LAS VEGAS, NEVADA 89104
TEL – (702) 477.7030; FAX – (702) 477.0096

EXHIBIT J

EXHIBIT J

THE AIR TEAM
HEATING & COOLING
License No. 007907

702.908.1766
theairteamlv.com
facebook.com/theairteamlv

HVAC SERVICE ORDE / INVOICE

EQUIPMENT	MAKE	AGE	MODEL NO.	SERIAL NO.	FILTER SIZE
					X X
					X X
					X X

CUSTOMER: Invest Pro Realty	JOB NAME: Unit B & C — PO NO.
BILLING ADDRESS	JOB ADDRESS: 2132 Houston Dr.
CITY/STATE/ZIP	CITY/STATE/ZIP: Las Vegas, Nv 89104
PHONE	PHONE — ALT. PHONE
EMAIL	TIME — DATE: 06/03/2017
CONTACT: Danna	TECHNICIAN

WORK TO BE PERFORMED ☐ AC ☐ HT ☐ SERVICE ☐ REPAIR ☑ INSTALLATION

Unit B and Unit C rooftop package unit install.

$3,800 down payment received on 05/25/2017

DESCRIPTION OF WORK

Installed new Goodman 2 ton heat pump roof top package unit for Unit B and Unit C. Tested both system operation. Both are working normal.

Confirmed TN repair done: YES
Charged TN Copay: NO
Closed Task: YES Date: 6/3
Ok to Pay Vendor: YES Initial: DW

10 year manufacturer warranty on parts.
1 year labor warranty.

Unit B: Goodman
Model# GPH1424M41AB.
Serial# 1702074865.

Unit C: Goodman
Model# GPH1424M41AB
Serial# 1704201157

RECOMMENDATIONS/COMMENTS

Please register units online within 60 days at "goodmanmfg.com" to get a full 10 year manufacturers warranty.

ENVIRONMENTAL CHECKLIST

CONDENSING UNIT	QTY	TYPE/DISPOSITION
☐ RECOVERED		
☐ RECYCLED		
☐ RECLAIMED		
☐ RETURNED		
☐ DISPOSAL		
☐ DISMANTLED		
☐ CHANGED OUT/REPLACED	TOTAL $	

QTY	MATERIALS & SERVICES	UNIT PRICE	AMOUNT
	REFRIGERANT R- LBS.		
	FILTERS X X		
2	Goodman 2ton hp rtu	$3,800	$7,6
	50% Down Payment		-$3,8

TOTAL MATERIALS & SERVICES $

HRS	LABOR	DATE	AMOUNT

TOTAL LABOR $

PAYMENT METHOD

☐ CASH ☐ CHECK
$ _____ NO. _____ $ _____

CREDIT CARD ☐ VISA ☐ MC ☐ DISCOVER
NAME ON CARD
CREDIT CARD NO.
EXP. DATE SECURITY CODE

TERMS
DUE UPON RECEIPT

I have the authority to order the work outlined above which has been satisfactorily completed. I agree that the Seller retains title to equipment/materials furnished until final payment is made. If payment is not made as agreed, Seller can remove said equipment/materials at Seller's expense and/or impose a 25% liquidation fee on the entire amount contained in the Seller/Buyer transaction. Any damage resulting from said removal shall not be the responsibility of the Seller.

06/03/2017
CUSTOMER SIGNATURE DATE

All materials, parts and equipment are warranted by the manufacturers' or suppliers' written warran only. All labor performed by the above named company is warranted for 30 days or as otherwise indicated in writing. The above named company makes no other warranties, expressed or implied, its agents or technicians are not authorized to make any such warranties on behalf of the above nar company.

☐ REGULAR ☐ WARRANTY ☐ PM SERVICE

REMIT PAYMENT TO: 5649 CHAMPAGNE FLOWER ST, NORTH LAS VEGAS NV 89031

THANK YOU for choosing THE AIR TEAM
for your heating & cooling needs.

FOR OFFICE USE ONLY ☐ ENT DATE _____ INT _____

AA000196

Air Supply Cooling

INVEST for Realty

• Refrigeration • Air Conditioning • Heating

3170 E. Sunset Road. Suite B Las Vegas, NV 89120 **702.688.9979**
Lic. # 0079885 Bonded & Insured airsupplycorp@aol.com
Monetary Limit $10,000 EPA Certified

INVOICE # _____

DATE March 2ND 2016

☐ COD ☐ GOLDEN CUSTOMER ☑ BILLABLE ☐ WAR ☐ C/B ☐ Q/A

JOB LOCATION

Name INVEST for Realty
Street 2132 Houston DR.
City Las Vegas State NV ZIP ____
Home Phone _____ Work Phone _____
Email _____

I have the authority to order the work detailed and prices below and to do so order. It is agree that Air Supply Cooling & Heating Corp. Will retain title to any equipment turnished until any final and complete payment is made. Air Supply Cooling & Heating Corp will have the right to take any action necessary to collect any unpaid balance including property liens, collections fees, court cost, higests legal intrest fees, ans attorney cost. By my signature below, I agree that i have read and understand, also i agreed to this agreement

SIGNATURE X _____

BILLING ADDRESS (IF DIFFERENT)

Name _____
Street _____
City _____ State ____ ZIP ____
Home Phone _____ Work Phone _____
Email _____

Authorization to proceed with Repair. I, hereby authorize the below described work in the " work Performed" section of this work order. I agree to 2.5% per month for past due accounts. In the event collection efforts are initiated against me, I shall pay for all associated fees at the posted rates. By signing below I agree that I have read, understand, and agree to the terms listed herein and on the reverse side.

SIGNATURE X _____

Equip Type #1 PVG hp Mfg Ducane MN hp 13A6QF2A SN 1614G7690 LC Roof Age New
Equip Type #2 _____ Mfg _____ MN _____ SN _____ LC _____ Age _____
Equip Type #3 _____ Mfg _____ MN _____ SN _____ LC _____ Age _____

COOLING	1st unit PASS	1st unit FAIL	2nd unit PASS	2nd unit FAIL		INITIAL	30 MIN	INITIAL	30 MIN
					CONDENSOR				
					Head Pressure				
					Suction Pressure				
					Compressor Amps				
					Cond. Motors Amps				
					Overall Condition				
					REFRIGERANT LOOP				
					Leak Check				
					Rrefrigerant Charge				
					CONDENSER & EVAP COILS				
					Leaks				
					Cleaned				
					Condensate Drain				
					Contactors /Circuit Conductors				
					FAN MOTOR & DRIVE				
					Motor Amps				
					Belts/ Adjustments				
					Bearings				
					Overall Condition				
					Air-Flow Temp				

HEATING	1st unit PASS	1st unit FAIL	2nd unit PASS	2nd unit FAIL	
					FAU-HEATER
					Burners
					Heat Exchanger (Visual inspection only)
					Valve/ Controls
					Unit Operation
					Overall Condition
					BLOWER ASSEMBLY
					Cleaned
					Overall Condition
					ELECTRONIC AIR CLEANER
					None
					Cleaned
					Overall Condition
					ELECTRONIC CONTROLS
					T-Stats
					Contractor
					Relays/ Capacitors
					Circuit Conductors/ Breakers
					Switches
					Air-Flow Temp

SAVE THIS INVOICE!

- Receive $500 off your new air conditioning system purchase. includes a 10 year limited warranty.
- Receive $50 off your next repair on you air conditioning system.
- Refer Us To A Friend & Receive A Free 20 Point Inspection On Your A/c System

DIAGNOSIS

- New unit installation
- 5 Ton heat pump
- Includes 10 YR / 1 YR labor warranty

Recommendations:

- 3 Digital Thermostat
- (3) Duct work modification

I decline the above detailed repairs & understand by doing so I may further damage my HVAC or Heating Systems.

SIGNATURE X _____ INITIALS _____

PAYMENT INFORMATION

METHOD OF PAYMENT:
☐ CC ☐ ACCOUNT ☐ CHECK ☐ CASH

CC# _____
EXPIRATION DATE _____
DATE _____
CC CVD CODE _____
AUTHORIZATION CODE/PO # _____
NDL # _____

WORK PERFORMED

QTY	DESCRIPTION	STANDARD RATE	GCA RATE
____	5 Ton heat pump	$ 4000.00	$ ____
1	(1) Digital thermostat	$ 200.00	$ ____
1	Duct work modification	$ 2250.00	$ ____
____	Confirmed TN repair done: YES	$ ____	$ ____
____	Charged TN Copay: NT	$ ____	$ ____
____	Closed Task: YES Date: 3/10	$ ____	$ ____
____	Ok to Pay Vendor: YES Initials: DLP	$ ____	$ ____

Tech Name: _____ AUTH _____

The Service Technician has reviewed with me the Golden Customer Agreement _____ I Accept _____ I Decline

SIGNATURE X _____

Signature hereby acknowledges the satisfactory completion of the work performed above.
* See exclusions on reverse side.

INVOICE TOTAL

Diagnostic Fee	$ ____
Flat Rate Charge	$ ____
GCA Discount	$ ____
INVOICE TOTAL	$ 6450.00

Sales tax on parts (with no markup) is included on all flat rate quotes. RESIDENTIAL RECOVERY FUND payments may be availables from the recovery fund if you are damaged finalncially by a project performanced on your residence pursuant to a contract, including construction, remodeling , repair or other improvements, and the damage resulting from certin specified violation of nevada law by a contractor licensed in this state. To obtain information relating to the recovery fund and filling a claim for recovery from the recovery fund you may contact the State Contractors Board at: 2310 Corporated Circle Suite #200 Henderson,NV 89074 Telephone: (702) 486-1100

"THE GREATEST COMPLIMENT WE CAN RECEIVE IS A REFERRAL " -THANK YOU

Exhibit K

Exhibit K

BENJAMIN B. CHILDS
Nevada Bar # 3946
318 S. Maryland Parkway
Las Vegas, Nevada 89101
(702) 385-3865
Fax 385-1847
ben@benchilds.com
Attorney for Plaintiff

DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC

Plaintiff

vs.

TKNR, INC, a California Corporation, and
CHI ON WONG, an individual, and
KENNY ZHONG LIN, an individual, and
INVESTPRO LLC dba INVESTPRO REALTY and
JOYCE A. NICKRANDT, an individual and
Does 1 through 5 and Roe Corporations I - X

Defendants

Case # A-18-785917-C
Dept # 14

Hearing : 11/18/2020
[Chambers on OST]

==========

LIMITED OPPOSITION TO DEFENDANTS' MOTION TO FILE AMENDED ANSWER, COUNTERCLAIM AND THIRD-PARTY CLAIM

INTRODUCTION

Defendants seek to file an Amended Answer, add a Counteclaim and file a Third-Party claim against a mechanical contractor. The hearing was set on an Order Shortening Time.

DEFENDANTS DO NOT SUPPORT THEIR FACTUAL CONTENTIONS

The factual contentions in Defendants' motion are supported by NO admissible evidence nor affidavit. A couple of emails between counsel about Defense counsel seeking a stipulation to allow Defendants to file the frivolous Counterclaim is not evidence.

EDCR 2.21, set forth below, requires motions to be supported by evidence.

EDCR 2.21
(a) Factual contentions involved in any pretrial or post-trial motion must be initially presented and heard upon affidavits, unsworn declarations under penalty of perjury, depositions, answers to interrogatories, and admissions on file. Oral testimony will not be received at the hearing, except upon the stipulation of parties and with the approval of the court, but the court may set the matter for a hearing at a time in the future and require or allow oral examination of the affiants/declarants to resolve factual issues shown by the affidavits/declarations to be in dispute. This provision does not apply to an application for a preliminary injunction pursuant toN.R.C.P. 65(a).
(b) Each affidavit/declaration shall identify the affiant/declarant, the party on whose behalf it is submitted, and the motion or application to which it pertains and must be served and filed with the motion, opposition, or reply to which it relates.
(c) Affidavits/declarations must contain only factual, evidentiary matter, conform with the requirements of N.R.C.P. 56(e), and avoid mere general conclusions or argument. Affidavits/declarations substantially defective in these respects may be stricken, wholly or in part.

Defendants' motion simply references a proposed amended pleading, which was filed as a separate document a day after the motion was filed, without any supporting "affidavits, unsworn declarations under penalty of perjury, depositions, answers to interrogatories, and admissions on file" as required by the rule.

The Motion should be denied, other than the allowance to file the Third-Party Complaint, which is unopposed.

///

PLAINTIFF HAS NO OPPOSITION TO THE MOTION TO FILE A THIRD-PARTY COMPLAINT

Plaintiff has no opposition to Defendants filing a third-party claim; in fact the proposed Third-Party Complaint emphasizes a couple of the defects which are the subject of this lawsuit. The defects were hidden by Defendants, but discovered by Plaintiff as described in Frank Miao's narrative affidavit attached hereto, supported by Exhibits 1 through 8.

Additionally, PLAINTIFF'S ANSWERS TO TKNR'S FIRST SET OF INTERROGATORIES served October 19, 2020, [Exhibit 9] specifically responses to questions 38 - 40 beginning on page 26, describe how Plaintiff discovered the multiple defects and false or inaccurate statements, after purchasing the property on December 15, 2017. The answer to the Interrogatory # 39 is set forth below.

> After purchasing the Subject Property, a tenant told Mr. Miao about water dripping from the ceiling. Also, when it rained the roof was leaking. When we opened drywall on the ceiling we found out about the vent going into the attic, not to an outside pipe.
> The tenant told us about a new crack in the wall and the floor was shifting, causing the tiles to crack. In the summer of 2018, the tenant in Unit A couldn't use the air conditioning because the electric fuses kept blowing out. Once Plaintiff hired a licensed electrician, they found out there were two circuits into one fuse and the load was too high.

The Seller's Real Property Disclosure Form [Exhibit 6] did not disclose any of the defects which Plaintiff discovered. Thus, the lawsuit.

///

OPPOSITION TO MOTION TO FILE AMENDED ANSWER AND COUNTERCLAIM

Defendants first delayed the case by filing a Motion to Dismiss, which was heard by this Court on February 7, 2019. This Motion was summarily denied although there doesn't seem to have ever been a written order filed.

Defendants filed their Answer to Plaintiff's First Amended Complaint on March 19, 2019, about 18 months ago. Plaintiff hustled and obtained an expert witness and timely disclosed same on August 14, 2020. Defendants woke up and filed a late motion to extend discovery because they had blown their own expert witness deadline, and that motion was granted at a hearing held on an order shortening time on October 22, 2020. On that same date Defendants substituted the instant counsel, Mr. Lee, as their attorney.

Defendants filed the instant motion on November 11, 2020, again on an expedited basis, but didn't file the Proposed Amended Answer, Counterclaim and Third-Party Claim until November 12, 2020.

Now Defendants want to file a 29 page Answer/Counterclaim/Third-party claim which will obviously result in MORE delays and increase Plaintiff's costs to prosecute this case. The affirmative defenses went from the original eight in the Answer filed March 16, 2019 to a proposed forty. [Exhibit B, 4-7]

But disturbingly Defendants seek to assert a completely baseless cause of action for abuse of process. Again, Defendants have supported their Motion with not a single affidavit nor any shred of documentary evidence. Speaking of which, Plaintiff understandably reserves the right to file a supplemental pleading to address ANY reply filed by Defendants that contains an affidavit or documentary evidence.

LEGAL AUTHORITY BASIS REQUIRED TO SUPPORT AN ABUSE OF PROCESS CAUSE OF ACTION

Abuse of Process is an intentional tort that requires proof of two elements: (1) an ulterior purpose for bringing a legal action other than resolving a dispute, and (2) a willful act in the use of the legal process not proper in the regular conduct of the proceeding. Posadas v. City of Reno, 109 Nev. 448, 457, 851 P.2d 438, 444-45 (1993). See, also, Kovacs v. Acosta, 106 Nev. 57, 59, 787 P.2d 368, 369 (1990).

Again, Defendants have NO EVIDENCE supporting their Motion. No evidence of Plaintiff having both (1) an ulterior purpose for bringing a legal action other than resolving a dispute, **AND** (2) a willful act in the use of the legal process not proper in the regular conduct of the proceeding. Plaintiff was a victim of Defendants' multiple torts and fraud as outlined in the Amended Complaint. The court action was required to be initiated to address Plaintiff's damages. Defendants have NO evidence supporting a cause of action for Abuise of Process. Defendants have had 18 months go gather evidence. Plaintiff is prejudiced because Defendants are bringing this issue up at the end of the case with no explanation about why this wasn't (1) addressed earlier and (2) after 19 months there is no evidence to support their proposed cause of action.

The reason Defendants have no evidence supporting their motion to add a counterclaim for abuse of process is simple. No evidence exists.

The court is reminded that argument of counsel is NOT evidence. B

Even a cursory review of the Seller's Real Property Disclosure Form [Exhibit 6] evidences that Plaintiff was told that there were NO problems with the electrical system, the plumbing, or the sewer system. [Exhibit 6, page 1] It was stated in writing that there was no structural problems, foundation problems, roof problems, fungi or mold, nor "any other condition or aspects of the property which

materially affect its value or use in an adverse manner". [Exhibit 6, page 2]

. Meanwhile, Plaintiff sets forth a plethora of evidence, even given the short response time, in Exhibits 1 through 9 attached hereto, which prove that the causes of action in the Amended Complaint are based in fact and not for any ulterior purpose.

Defendants already filed a Motion to Dismiss, Alternatively for Summary Judgment, as set forth above, which was summarily denied by this Court on February 7, 2019. This is over nineteen months ago.

If Defendants are allowed to file the proposed Counterclaim, Plaintiff will likely file it's own motion to file a Second Amended Complaint and allege an additional cause of action for abuse of process based on the Defendants' cause of action for abuse of process.

Defendants are not prejudiced in the least by denying their motion to file the counterclaim. An abuse of process cause of action is generally filed AFTER the case concludes. When Plaintiff prevails at trial, there will obviously be no basis for an abuse of process claim.

CONCLUSION

All Defendants have is argument about disputed facts. Their motion to add an additional 32 affirmative defenses should be denied as they have not provided any evidence supporting the need for additional affirmative defenses.

Defendants have not provided any evidence supporting their motion, even to file the Third-Party Complaint. Nonetheless, Plaintiff does not oppose filing a Third-Party Complaint to bring in the mechanical contractor who even Defendants now assert caused damage to the Subject Property.

This is just the latest in the ongoing delay strategy engaged in by Defendants to delay and hinder the lawsuit. Plaintiff opposes the motion for

Defendants to file an Amended Answer and Counterclaim. There's no explanation for the 18 month delay before addressing this issue the February 7, 2020 hearing on Defendants' Motion to Dismiss, Alternatively for Summary Judgment and then Defendants' Answer to the Amended Complaint filed on March 19, 2019.

Plaintiff would be prejudiced by having to now address this new cause of action in discovery if Defendants are allowed to add a cause of action at this late stage. Which, of course, suits Defendants fine because it fits directly with their delay strategy.

Further, if Defendants are allowed to add an abuse of process cause of action, Plaintiff will likely file it's own motion to file an amended pleading to add it's own abuse of process cause of action, since this cause of action would have just arisen. The Court would be hard pressed to deny Plaintiff's motion if it allows Defendants to file a new cause of action without any supporting documentation. This will obviously serve Defendants' wishes by not only providing additional reasons for Defendants to delay trial, but unnecessarily adding confusion when the case is ultimately tried.

If abuse of process causes of action are allowed, at trial Defendants will be sidetracking the jury with bogus arguments about Plaintiff's intentions when filing the lawsuit and prosecuting the lawsuit, rather that the actual facts of the upon which the lawsuit is based. Plaintiff will have to similarly respond that it should not only prevail based on the causes of action already set forth in the Amended Complaint, but Defendants should also be liable for abuse of process by filing their abuse of process Counterclaim. This absurd result would exist in every lawsuit and the Court should not allow Defendants to make a mockery of the court system by allowing them to file an abuse of process counterclaim.

Defendants' argument is the equivalent of a driver in an auto accident case, whether plaintiff or defendant, filing an abuse of process cause of action in

the complaint or as a counterclaim, because each respective driver says the light was “green” or ‘”red” as benefits them. Or the speed of themselves or the opposing driver obviously caused the accident. Or the mechanical condition of their car or the opposing driver’s car caused the accident. And so on. Thus, given the interested party’s testimony, the opposing party MUST BE LYING so filing the complaint or the answer are evidence of “(1) an ulterior purpose for bringing a legal action other than resolving a dispute, and (2) a willful act in the use of the legal process not proper in the regular conduct of the proceeding.” Obviously this is ridiculous. The same argument is being made by Defendants and the court should summarily deny their motion to add a cause of action for abuse of process.

Plaintiff has already prevailed in one Motion to Dismiss, Alternatively for Summary Judgment and has once again provided more than sufficient evidence supporting its causes of action, including Mr. Miao’s narrative declaration attached hereto.

/s/ Benjamin B. Childs, Sr.
BENJAMIN B. CHILDS, Sr.
Nevada Bar # 3946
Attorney for Plaintiff

Exhibits

1 Promotional Website for flipping fund
2 Deed to TKNR recorded September, 2015
3 Receipts for repairs to Subject Property in 2016
4 Emails from Plaintiff regarding inspection and required repairs
5 Excerpt from offer and acceptance for the Subject Property
6 Seller Real Property Disclosure Form
7 Requirements for permits and inspections
8 Ami Sani expert report
9 Plaintiff’s Answers to TKNR’s First Set of Interrogatories

CERTIFICATE OF ELECTRONIC SERVICE

This LIMITED OPPOSITION TO DEFENDANTS' MOTION TO FILE AMENDED ANSWER, COUNTERCLAIM AND THIRD-PARTY CLAIM, with attachments, was served through the Odessey File and Serve system. Electronic service is in place of service by mailing.

/s/ Benjamin B. Childs, Sr.
BENJAMIN B. CHILDS, Sr. ESQ.
NEVADA BAR # 3946

Exhibit L

Exhibit L

MICHAEL B. LEE, ESQ. (NSB 10122)
MICHAEL MATTHIS, ESQ. (NSB 14582)
MICHAEL B. LEE, P.C.
1820 East Sahara Avenue, Suite 110
Las Vegas, Nevada 89104
Telephone: (702) 477.7030
Facsimile: (702) 477.0096
mike@mblnv.com
Attorney for Defendants/Counterclaimants/Third-Party Plaintiffs

IN THE EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC,

Plaintiff,

vs.

TKNR INC., a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual, and INVESTPRO INVESTMENTS I LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company and JOYCE A. NICKRANDT, an individual and Does 1 through 15 and Roe Corporation I - XXX,

Defendants.

CASE NO.: A-18-785917-C
DEPT. NO.: XIV

ORDER GRANTING DEFENDANTS' MOTION FOR LEAVE TO FILE AMENDED ANSWER, COUNTERCLAIMS, AND THIRD-PARTY CLAIMS ON AN ORDER SHORTENING TIME

Date of Hearing: November 18, 2020
Time of Hearing: chambers

This matter being set for hearing before the Honorable Court on November 18, 2020 at 9:30 a.m., on Defendants' TKNR INC., CHI ON WONG aka CHI KUEN WONG, KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, LIWE HELEN CHEN aka HELEN CHEN, YAN QIU ZHANG, INVESTPRO LLC dba INVESTPRO REALTY, MAN CHAU CHENG, JOYCE A. NICKRANDT, INVESTPRO INVESTMENTS LLC, and INVESTPRO MANAGER LLC, (collectively, the "Defendant"), Motion for Leave to File Amended Answer, Counterclaims, and

MICHAEL B. LEE, P.C.
1820 E. SAHARA AVENUE, SUITE 110
LAS VEGAS, NEVADA 89104
TEL – (702) 477.7030; FAX – (702) 477.0096

BBC

Third-Party Claims on an Order Shortening Time ("Motion"), by and through their attorney of record, MICHAEL B. LEE, P.C. Plaintiff W L A B INVESTMENT, LLC appeared on and through its counsel of record, BENJAMIN B. CHILDS, ESQ. The Motion, to which Plaintiff filed a limited opposition, was set for Chambers Calendar before Department 14 of the Eighth Judicial District Court, the Honorable Adriana Escobar presiding, on November 18, 2020. After considering the pleadings of counsel, the Court enters the following order:

1. A motion for leave to amend is left to the sound discretion of the trial judge, and the trial judge s decision will not be disturbed absent an abuse of discretion. *University & Cmty. Coll. Sys. v. Sutton*, 120 Nev. 972, 988 (2004).

2. Under NRCP 15(a)(2), [t]he court should freely give leave when justice so requires. Motions for leave to amend a pleading ought to be granted unless a strong reason exists not to do so, such as prejudice to the opponent or lack of good faith by the moving party. *Nutton v. Sunset Station, Inc.*, 131 Nev. 279, 284 (Nev. App. 2015); *see also Stephens v. S. Nev. Music Co.*, 89 Nev. 104, 105 06 (1973) ([I]n the absence of any apparent or declared reason such as undue delay, bad faith or dilatory motive on the part of the movant the leave sought should be freely given.).

3. Here, Defendants Motion is timely filed as the deadline to amend the pleadings and add parties is December 14, 2020. The Court finds that Defendants should be given leave to amend their Answer, to file a Counterclaim, and to file a Third-Party Claim. .

4. The arguments Plaintiff raises in its limited opposition are meritless.

Based on the foregoing, the Court GRANTS Defendants' Motion.

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1820 E. SAHARA AVENUE, SUITE 110
LAS VEGAS, NEVADA 89104
TEL – (702) 477.7030; FAX – (702) 477.0096

BBC

IT IS HEREBY ORDERED, ADJUDICATED, AND DECREED that the Motion is **GRANTED**.

Dated this 2nd day of December, 2020

67A 5D2 D6CB 110B
Adriana Escobar
District Court Judge

Date: December 2, 2020.

Respectfully Submitted By:

MICHAEL B. LEE, P.C.

/s/ Michael Lee
MICHAEL B. LEE, ESQ. (NSB 10122)
MICHAEL MATTHIS, ESQ. (NSB 14582)
1820 E. Sahara Avenue, Suite 110
Las Vegas, Nevada 89104
Telephone: (702) 477.7030
Facsimile: (702) 477.0096
mike@mblnv.com
Attorneys for Defendants

Date: December 2, 2020.

Approved of as to Form and Content By:

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318 S. Maryland Parkway
Las Vegas, Nevada 89101
Tel - (702) 251.0000
Fax – 702.385.1847
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BBC

CSERV

DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B Investment LLC, Plaintiff(s) vs. TKNR Inc, Defendant(s)	CASE NO: A-18-785917-C DEPT. NO. Department 14

AUTOMATED CERTIFICATE OF SERVICE

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

Service Date: 12/2/2020

Katherine MacElwain	kmacelwain@nevadafirm.com
Michael Matthis	matthis@mblnv.com
John Savage	jsavage@nevadafirm.com
BENJAMIN CHILDS	ben@benchilds.com
Nikita Burdick	nburdick@burdicklawnv.com
Michael Lee	mike@mblnv.com
Bradley Marx	brad@marxfirm.com

Exhibit M

Exhibit M

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(702) 251 0000
Fax 384 1119
ben@benchilds.com
Attorney for Plaintiff

EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC

Plaintiff

vs.

TKNR, INC, a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and ZHONG KENNY LIN aka KENNY ZHONG LIN aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K.LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual and INVESTPRO INVESTMENTS I LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company, and Does 1 through 15 and Roe Corporations I - XXX

Defendants

Case # A-18-785917-C
Dept # 14

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SUPPLEMENT TO PLAINTIFF'S 16.1 EARLY CASE CONFERENCE DISCLOSURES

[additions in **BOLD**]

WITNESSES [16.1(a)(1)(A)]

1. PMK of TKNR, INC c/o Nikita R. Burdick, Esq. 8360 W. Sahara Ave. # 250 Las Vegas, NV 89117 702 481 9207.

Has information about the fact and circumstances of it's purchase, repair, and sale of the Subject Property.

11. PMK of W L A B INVESTMENT, LLC c/o Benjamin B. Childs, Esq. 318 S. Maryland Pkwy Las Vegas, Nevada 89101 phone (702) 385 3865

Expected to testify as to the facts and circumstances surrounding this litigation.

12. EXPERT

Amin Sani, President of Arvin Construction Co.

10524 Angel Dreams Ave Las Vegas, NV 89144 (702) 355 4757

General Contractor will testify to the unlicensed work on the Subject Property and the resultant damages. Itemized damages total $650,000.

Mr. Sani's report is attached consisting of the following :

Document	Bates #
Narrative Report	164 - 173
Licenses/Resume/Fee disclosure	174 - 182
Pictures	183 - 193

Summary of the damages Mr. Sani itemizes in his report is set forth below.

Defect	Repair Cost ($)
Structural Defects	150,000
Electrical System	70,000
Plumbing System	60,000
Sewer System	60,000
Heating System	15,000
Cooling System	60,000
Moisture/Water damage	40,000
Roof	70,000
Fungus/Mold	50,000
Flooring	25,000
Foundation	50,000
Total	650,000

DOCUMENT DISCLOSURES

Exhibit #		Bates Page #
1.	Investpro advertising and solicitations	1 - 12
2.	Trustee's Deed 10/09/2015	13 - 16
3.	Texts dated 08/17/2017 and 08/24/2017	17 - 19
4.	Flyers from Clark County re building permit requirements	20 - 24
5.	Offer and Acceptance and Escrow Package	25 - 60
6.	City of Las Vegas Inspection records	61 - 68
7.	Flyers from City of Las Vegas re building permit requirements	69 - 83
8.	California Secretary of State printouts and records for TKNR, Inc.	84 - 87
9.	Repair estimates and receipts	88 - 152
10.	Nevada Secretary of State printouts for Investpro Investments I LLC, Investpro Manager LLC, Investpro LLC	153 - 161
11.	Nevada Real Estate Division printout for Joyce A. Nickrandt	162 - 163
12.	**EXPERT WITNESS REPORT OF Amin Sani**	**164 - 193**

DAMAGES

1. As to Defendant TKNR, Wong and INVESTPRO MANAGER LLC, pursuant to NRS 113.150, judgment jointly and severally for treble the amount necessary to repair or replace the defective part of the Subject Property. The amount necessary

times $ 650,000.00 [$1,950,000.00] for a total judgment sought of $2,600,000.00.

13. As to Defendant Investpro, judgment for Plaintiff's actual damages, which amount is **$650,000.00**.

In addition to the compensatory damages, Plaintiff seeks an award of attorney fees and costs, against all Defendants jointly and severally, which amount **totals $35,162.00 through August 14, 2020.**

/s/ Benjamin B. Childs
_____
BENJAMIN B. CHILDS, ESQ.
Nevada Bar No. 3946
Attorney for Plaintiff

CERTIFICATE OF ELECTRONIC SERVICE

This SUPPLEMENT TO PLAINTIFF'S 16.1 EARLY CASE CONFERENCE DISCLOSURES, with Exhibit 12, was served through the Odessey File and Serve system on August 14, 2020. Electronic service is in place of service by mailing.

/s/ Benjamin B. Childs, Sr.
_____
BENJAMIN B. CHILDS, Sr. ESQ.
NEVADA BAR # 3946

Exhibit N

Exhibit N

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(702) 251 0000
Fax 385 1847
ben@benchilds.com
Attorney for Plaintiff

EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

W L A B INVESTMENT, LLC

Plaintiff

vs.

TKNR, INC, a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and ZHONG KENNY LIN aka KENNY ZHONG LIN aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K.LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual and INVESTPRO INVESTMENTS I LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company, and Does 1 through 15 and Roe Corporations I - XXX

Defendants

Case # A-18-785917-C
Dept # 14

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PLAINTIFF'S ANSWERS TO KENNY LIN'S SECOND SET OF INTERROGATORIES

REQUEST NO .33:

For all attorneys or law firms you (the Plaintiff) have consulted, worked with, were affiliated with, or had work performed on your behalf, related to this dispute, please describe the following:

1) the fee or retainer arrangement;

2) All billings performed and costs incurred;

3) the source of payment of any fees or costs by Plaintiff;

4) payments by any person or entity for any attorney's fees or costs incurred by Plaintiff;

5) loans received by Plaintiff for the purpose of paying attorney's fees and/or costs;

6) the current balance of any attorney's fees or costs owed;

7) if there have been any efforts by any attorneys or law firms to collect attorney's fees or costs owed by Plaintiff for legal work or consult.

Answer :

For both attorney Bradley Marx and Benjamin B. Childs they billed hourly. I paid Mr. Marx $10,000 and I haven't received an itemized bill. Mr. Childs' billings were performed on an itemized basis and I've paid him $52,133. The payments were paid by W L A B INVESTMENT, LLC. No attorney fees or costs are owed at this time and since Plaintiff has been current with the attorney fees, there has been no efforts required to collect.

REQUEST NO .34:

Please provide information about Frank Miao, including:

1. Education related to property management, property acquisition, and property maintenance;
2. Training related to property management, property acquisition, and property maintenance;
3. Employment history related to purchasing, managing, conducting repairs and/or handyman work, etc. for the purchase of real property;
4. If he reads and writes English with ease;
5. Any specialty licenses held by him (and whether the licenses are active, have ever suspended, inactive, etc.);
6. Role with Plaintiff; and

7. Length of employment.

Answer.

Mr. Miao is self taught related to property management, property acquisition, and property maintenance. His employment history related to purchasing, managing, conducting repairs and/or handyman work, etc. for the purchase of real property has been working as managing member for W L A B INVESTMENT, LLC. He does read and write English. He is the managing member for W L A B INVESTMENT, LLC.

REQUEST NO .35:

Please described the work performed by Frank Miao related to the Property, which may include the purchase, management, repairs and/or handyman work, supervision of contractors, collection of rents during the time that Plaintiff owned and/or controlled the Property.

Answer :

Mr. Miao identified the Property for purchase, managed the Property after July, 2018.

He did repairs and/or handyman in Unit C and Unit B to replace the flooring.

He hired Penny Electric to add electrical circuits to Unit A.

He hired Home Depot to install doors thermal insulation in the ceilings of Units B and C.

He hires ACLV, a mechanical HVAC contractor, to install ducting for the clothes driers.

He hired Affordable Tree Service cut the palm tree.

He hired All Star Fencing was hired install a fence.

He hired Larkin Plumbing to install water heater in Unit C.

After July, 2018 to present Mr. Miao collected rents.

Answer :

Amin San prepared written estimate or evaluation for the loss or damage identified in the answer to interrogatory 39.

His contact information is Amin Sani, President of Arvin Construction Co. General Contractor License # 86070. 10524 Angel Dreams Ave Las Vegas, NV 89144. 702 355-4757.

The people who have a copy of Mr. Sani's report are Plaintiff, Plaintiff's attorney, Defendants and Defendants' attorney and Nick Opfer.

See Exhibit 1 attached hereto.

/s/ Benjamin B. Childs

BENJAMIN B. CHILDS, ESQ.
Nevada Bar No. 3946
Attorney for Plaintiff

VERIFICATION

On this December 2, 2020, under penalty of perjury, Frank Miao says that he is the managing member of W L A B INVESTMENT, LLC, a party in the above entitled action; that he has read the foregoing Discovery Responses being PLAINTIFF'S ANSWERS TO KENNY LIN'S SECOND SET OF INTERROGATORIES consisting of 17 pages including this page, and knows the contents thereof; that the same are true to the best of his knowledge and belief, except for those matters therein stated on information and belief, and as to those matters, he believes them to be true.

FRANK MIAO

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