#### Case No. 87237

#### In the Supreme Court of Nevada

TRUDI LEE LYTLE; and JOHN ALLEN LYTLE, as trustees of THE LYTLE TRUST,

Appellants,

vs.

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

Respondents.

Electronically Filed Apr 08 2024 03:39 PM Elizabeth A. Brown Clerk of Supreme Court

#### APPEAL

from the Eighth Judicial District Court, Clark County The Honorable TIMOTHY C. WILLIAMS, District Judge District Court Case Nos. A-16-747800-C, consolidated with A-17-765372-C

## APPELLANTS' APPENDIX VOLUME 3 PAGES 501-750

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#### **CERTIFICATE OF SERVICE**

I certify that on April 8, 2024, I submitted the foregoing "Appellants' Appendix" for filing *via* the Court's eFlex electronic filing system. Electronic notification will be sent to the following:

Kevin B. Christensen Wesley J. Smith Laura J. Wolff Christensen James & Martin 7740 W. Sahara Avenue Las Vegas, Nevada 89117

Attorneys for Respondents

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

04/21/2020	Initial receipt and review of the Lytle Trust's exhibits for hearing on the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders. Initial receipt, review and respond to correspondence from attorney W. Smith re hearing. Telephone conference with Mr. Smith re same.	1.60	\$320.00
04/22/2020	Prepare for and attend hearing on the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders and our joinder to the motion. Exchange multiple correspondences with attorneys W. Smith and D. Foley re same.	4.30	\$860.00
04/23/2020	Initial receipt and review of multiple correspondences from attorneys W. Smith and D. Foley re notice to receiver court of Judge Williams' decision finding the Lytle Trust in contempt for violation of court orders. Prepare status update in Legal Files. Prepare status update correspondence to claims counsel D. Chien. Initial receipt, review and respond to multiple correspondences from Ms. Chien re same.	1.20	\$240.00
04/27/2020	Initial receipt, review and respond to multiple correspondences from attorneys W. Smith and D. Foley re proposed order granting the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders and our joinder thereto. Prepare revisions to proposed order. Prepare correspondence to claims counsel D. Chien re same. Prepare correspondence to Mr. Smith and Mr. Foley re same. Initial receipt, review and respond to multiple correspondences from Mr. Smith re same. Initial receipt and review of correspondence from Ms. Chien re same.	3.80	\$760.00
05/01/2020	Initial receipt and review of multiple correspondences from attorneys D. Waite and W. Smith re revisions to proposed order granting the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders.	0.30	\$60.00
05/04/2020	Initial receipt, review and respond to correspondence from attorney W. Smith re revisions to proposed order granting the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders.	0.30	\$60.00
05/05/2020	Initial receipt, review and respond to correspondence from attorney W. Smith re additional revisions to proposed order granting the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders and our joinder thereto. Review revisions. Prepare correspondence to claims counsel D. Chien re same.	0.90	\$180.00
05/07/2020	Initial receipt and review of correspondence from attorney W. Smith re proposed order granting the September Trust	3.20	\$640.00

05/22/2020	Initial receipt and review of multiple correspondences from court judicial executive assistant K. Jacobs and opposing counsel D. Waite re hearing on his motion to clarify order granting the September Trust Plaintiffs' motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders and our joinder thereto. Initial receipt and review of court-executed order. Exchange multiple correspondences with legal assistant L. Engelman re same. Initial receipt and review of notice of entry of same.	0.90	\$180.00
5/29/2020	Initial receipt, review and detailed legal analysis of the September Trust Plaintiffs' opposition to the Lytle Trust's motion for clarification re order granting motion for order to show cause why the Lytle Trust should not be held in contempt for violation of court orders and our joinder thereto.	0.30	\$60.00
06/09/2020	Prepare motion for attorney's fees and affidavit in support thereof.	6.80	\$1,360.00
TOTAL			\$7,920.00

# EXHIBIT B

## AFFIDAVIT OF COUNSEL IN SUPPORT OF ROBERT Z. DISMAN AND YVONNE A. DISMAN'S MOTION FOR ATTORNEY'S FEES

STATE OF NEVADA ) ss: COUNTY OF CLARK )

- I, Christina H. Wang, Esq., being first duly sworn, deposes and says:
- 1. I am an attorney with the Fidelity National Law Group; I am licensed to practice law before all courts in the State of Nevada; I have personal knowledge of the facts set forth herein; and I make this Affidavit in support of Counter-Defendants/Cross-Claimants Robert Z. Disman and Yvonne A. Disman (collectively referred to herein as, the "Dismans")' Motion for Attorney's Fees against Defendants/Counter-Claimants Trudi Lee Lytle and John Allen Lytle, Trustees of The Lytle Trust (collectively referred to herein as, the "Lytles").
- 2. This action was commenced on or about December 8, 2016, by Plaintiffs Marjorie B. Boulden, Trustee of The Marjorie B. Boulden Trust ("Boulden"), and Linda Lamothe and Jacques Lamothe, Trustees of The Jacques & Linda Lamothe Living Trust (collectively referred to herein as, "Lamothe").
- 3. Boulden and Lamothe (at times collectively referred to herein as, "Plaintiffs") commenced the action for slander of title, injunctive relief, quiet title, and declaratory relief following the Lytles' recording of abstracts of judgment against Plaintiffs' properties in a residential subdivision located in Clark County, Nevada called Rosemere Court ("Rosemere" or "subdivision").
- 4. At the time, Boulden was the owner of the property identified as APN: 163-03-313-008, commonly known as 1960 Rosemere Court, Las Vegas, NV 89117 ("1960 Rosemere Court"). Lamothe was the owner of the property identified as APN: 163-03-313-002, commonly known as 1830 Rosemere Court, Las Vegas, NV 89117 ("1830 Rosemere Court").
- 5. The abstracts related to a judgment that the Lytles had obtained against their property owners association, Rosemere Estates Property Owners Association ("Rosemere Association" or "Association") in Eighth Judicial District Court, Clark County, Nevada, Case No. A-09-593497-C (the "Rosemere Judgment I").

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1	6. The Lytles sought to enforce the Rosemere Judgment I against the properties in	
2	Rosemere under NRS 116.3117.	
3	7. In an order entered on or about July 19, 2017, this Court granted summary	
4	judgment in favor of Plaintiffs and made the following legal conclusions:	
5	CONCLUSIONS OF LAW	
6	1. The Association is a "limited purpose association" as referenced in NRS 116.1201(2).	
7 8	2. As a limited purpose association, NRS 116.3117 is not applicable to the Association.	
9	3. As a result of the Rosemere [ ] Litigation [I], the Amended CC&Rs were judicially declared to have been improperly adopted and recorded,	
10 11	the Amended CC&Rs are invalid and have no force and effect and were declared void ab initio.	
12	4. The Plaintiffs were not parties to the Rosemere [ ] Litigation [I].	
13	7. The Final Judgment against the Association is not an obligation or debt owed by the Plaintiffs.	
14 15	See Exhibit H, at 4:12-23. The Court thus held that the Lytles improperly clouded title to	

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- 5.3117 is not applicable
- tion [I], the Amended adopted and recorded, ffect and were declared
  - nere [ ] Litigation [I].
- n is not an obligation or

es improperly clouded title to Boulden and Lamothe's properties by recording abstracts of the Rosemere Judgment I against them; that those abstracts of judgment should be released; and that the Lytles are permanently enjoined from "recording and enforcing the [ ] Judgment from the Rosemere [ ] Litigation [I] or any abstracts related thereto against the Boulden Property or the Lamothe Property" and from "taking any action in the future against [Boulden and Lamothe] or their properties based upon the Rosemere [ ] Litigation [I]." See id. at pp. 5-7.

- 8. On or about August 4, 2017, Boulden sold her Rosemere property - 1960 Rosemere Court, to the Dismans.
- 9. On August 11, 2017, the Lytles filed a Counterclaim against Lamothe and the Dismans seeking a declaration that an abstract of a second judgment that the Lytles had obtained against the Rosemere Association (the "Rosemere Judgment II") can be recorded against Lamothe and the Dismans' properties. See Exhibit I.
  - 10. I was retained to defend the Dismans in this action, which also included my

participation in the Lytles' appeal of the Court's order.

- 11. On or about December 4, 2018, the Nevada Supreme Court affirmed the order in its entirety. *See* Exhibit L. As a result, the Lytles agreed to dismiss the Counterclaim against the Dismans without prejudice.
- 12. On January 23, 2019, the Dismans filed a motion against the Lytles for attorney's fees that the Dismans incurred through January 22, 2019.
  - 13. This Court granted the Dismans' motion on or about September 4, 2019.
- 14. The Lytles appealed the attorney's fee award to the Nevada Supreme Court and I continued my defense of the Lytles with respect to the appeal (the "Attorney's Fee Appeal").
- 15. On January 27, 2020, Robert Disman contacted me regarding correspondence sent to the Dismans by receiver Kevin Singer in Eighth Judicial District Court, Clark County, Nevada, Case No. A-18-775843-C. *See* Exhibit P.
- 16. The correspondence informed the Dismans of Mr. Singer's appointment and attached an order regarding his appointment to, among other things, "[i]ssue and collect a special assessment upon all owners within the Association to satisfy the Lytle[s'] ... judgments against the Association." *See id.* at Exhibit 1, p. 2, ¶ 2.
- 17. Further, the correspondence invited the Dismans to meet with Mr. Singer to share ideas regarding payment of the Lytles' judgments. *See id*.
- 18. The Lytles' attempt to use the receiver to collect on their judgments against the Association from the Dismans violated this Court's order and the injunctions contained therein.
- 19. I immediately embarked on an investigation of the receiver action and efforts to address the Lytles' violation.
- 20. From January 27, 2020, to date, the Dismans have incurred attorney's fees in the amount of \$7,920.00 for my services associated with the Lytles' violation. *See* Exhibit A.
- 21. To be clear, the Dismans have incurred substantially more attorney's fees than what they are currently requesting, including, but not limited to, fees associated with the Attorney's Fee Appeal.
  - 22. The Dismans, however, have settled that appeal with the Lytles and are,

therefore, not including any fees associated therewith in their request. Nor does the request include other fees incurred but which were for tasks unrelated to the Lytles' violation of the Court's order.

- 23. Rather, all attorney's fees requested were actually and necessarily incurred and are directly attributable to addressing the Lytles' violation. They are also exceedingly reasonable and justified in light of the following factors.
- 24. My standard hourly rate is \$200.00, which is substantially lower than the standard hourly rate of other attorneys practicing in the Las Vegas, Nevada legal market with similar education and experience.
- 25. My work associated with addressing the Lytles' violation commenced on January 27, 2020, and continues to date. *See* Exhibit A.
- 26. With respect to my experience, I obtained my Juris Doctorate degree from the William S. Boyd School of Law in 2005, after which I clerked for the United States District Court for the District of Nevada for one (1) year.
- 27. I have been a practicing attorney for over fourteen (14) years. In particular, I have been with the Fidelity National Law Group for over eight (8) years.
- 28. I have been the primary handling attorney in hundreds of litigation cases, and my primary focus for the past seven (8) years has been in real estate litigation. I have been involved in every facet of litigation, from commencement to resolution through trial, motion practice, settlement, and/or other means.
- 29. With respect to addressing the Lytles' violation, I expended considerable efforts on behalf of the Dismans, including, but not limited to, performing an investigation of the receiver action, conducting legal research, preparing pleadings, and making a court appearance.
- 30. As a result of my efforts, the Lytles were held in contempt for violation of this Court's orders with respect to the Dismans.
- 31. My background, experience, work performed and ultimate result more than justify the amount incurred in addressing the Lytles' violation. *See Brunzell v. Golden Gate Nat'l Bank*, 85 Nev. 345 (1969).

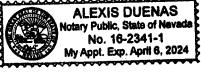
32. In sum, all professional services, expenses, charges and fees incurred by the Dismans were and are reasonable and in accordance with the standards for such services in Las Vegas, Nevada for the type of services rendered.

FURTHER YOUR AFFIANT SAYETH NAUGHT.

CHRISTINA H. WANG, ESQ.

Subscribed and sworn to before me this \_\_\_\_\_\_ day of June, 2020.





## EXHIBIT C

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### DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (CC and R's)

This Declaration of Covenants, Conditions and Restrictions made this 4th Day of Jax, 1974 by Baughman & Turner Pension Trust hereinafter referred to as "Subdivider", owner in fee simple of the land situated in the City of Las Vegas, County of Clark, State of Nevada, described as follows:

Lots 1 through 9 of Rosemere Court, a subdivision, recorded in Book 59 of Plats, Page 58, Clark County Records, Nevada.

WHEREAS, it is the desire and intention of Subdivider to sell the land described above and to impose on it mutual, beneficial covenants, conditions and restrictions under a general plan or scheme of improvement for the benefit of all the land described above and the future owners of the lots comprising said land.

NOW. THEREFORE, Subdivider hereby declares that all of the land described above is held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions and restrictions, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement and sale of said land and are established and agreed upon for the attractiveness of said land and lots and every part thereof. All of such covenants, conditions and restrictions shall run with the land and shall be binding on the Subdivider and on all of its heirs, successors and assigns and on all other parties having or occupying any right, title, or interest in the described land or any part thereof, and on all of their heirs, successors and assigns.

A breach or violation of these CC & R's or any re-entry by reason of such breach or any liens established hereunder shall not defeat or render invalid or modify in any way the lien of any mortgage or deed of trust made in good faith and for value as to said lots or PROPERTY or any part thereof; that these CC & R's shall be binding and effective against any owner of said PROPERTY whose title thereof is acquired by foreclosure, trustee's sale or otherwise.

- 1. Lots shall be used for private one-family residential purposes exclusively. Customary out-buildings including guest house, hobby house, private garages or carports may be erected or maintained therein, consistent with City of Las Vegas Zoning Ordinances.
- 2. All lavatories and toilets shall be built indoors and be connected with the existing sewer system.
- 3. No anter transmission or reception of tel vision or maintained on the roof of any structure within subdivision. In addition, no cooling or heating units shall be visible on the roof of any structure within subdivision,

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- 4. No rubbish, brush, weeds, undergrowth or debris of any kind or character shall ever be placed or permitted to accumulate upon said lots so as to render said premises a fire hazard, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity or the occupants thereof. Trash containers shall be visible on days of trash pick-up only. The Owner of the lot, for himself, his successors and assigns agrees to care for, cultivate, prune and maintain in good condition any and all trees, lawns and shrubs.
- 5. No odors shall be permitted to arise therefrom so as to render any such lot unsanitary, unsightly, offensive or detrimental to any other lot and no nuisance shall be permitted to exist or operate upon any lot so as to be offensive or detrimental to any other lot or to the occupants thereof; and without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices, except devices used exclusively for security purposes, shall be located, used or placed upon any lots. Stereo speakers may be used at reasonable volume levels.
- No structure (including but not limited to dwelling units, garages, carports, walls and fences) shall be permitted to fall into disrepair and all structures shall at all times be kept in good condition and repair and adequately painted or otherwise finished. Any and all repairs, redecorations, modifications or additions, interior and exterior, shall fully comply with all restrictions.
- 7. No owner shall permit any thing or condition to exist upon any lot which shall induce, breed or harbor infectious plant disease or noxious insects.
- 8. For continuity of the neighborhood appearance, every single-family dwelling erected shall be of Spanish, Moorish, Mediterranean or similar-style architecture, and shall have a tile roof, face into the cul-de-sac and contain not less than 3,000 square feet of floor space for one-story homes and 3,500 square feet of floor space for two-story homes, exclusive of basements, porches, patios, garages, carports, guest or hobby houses.
- 9. Driveways for Lots 1 and 9 must enter the cul-de-sac and not the entrance street.

- 10. Building plans of residences to be erected shall be approved by Subdivider prior to start of construction.
- 11. Easements for installation and maintenance of utilities and drainage facilities have been conveyed as shown on the recorded subdivision plat and otherwise of record.
- 12. No billboards, signs, or advertising of any kind excepting a conventional "for sale" or "for rent" sign not larger than two feet by two feet shall be erected or maintained upon any of said lots without the written consent of Subdivider.
- 13. No animals or fowl, other than household pets, shall be kept or maintained on said property or any portion thereof. At any one time the total number of household pets shall not exceed four. No horses shall be allowed within the subdivision at any time.
- 14. Each Owner of a lot agrees for himself and his successors and assigns that he will not in any way interfere with the natural or established drainage of water over his lot from adjoining or other lots in said subdivision, or that he will make adequate provisions for proper drainage in the event it is necessary to change the natural or established flow of water grainage over his lot. For the purpose hereor, natural grading is defined as the drainage which occurred or which would occur at the time the overall grading of said subdivision, including the finish grading of each lot in said parcel was completed by the Subdivider.

- 15. Landscaping in front of a residence shall be completed within three (3) months from completion of construction of that residence. Landscaping shall meet or surpass VA and FHA standards.
- 16. No clotheslines shall be placed nor shall any clothes be hung in any manner whatsoever on any lot in a location visible from a princ street.
- 16. No boat, trailer, mobile home, cau, per or commercial vehicles may be parked at any time within the private drive (street) area. In addition, no automobile, camper, mobile home, commercial vehicle, truck, boat or other equipment may be dismantled on any lot in an area visible from an adjoining property or the street area.
- 17. No boat, trailer, mobile home, camper, or commercial vehicle may be parked or stored at any time on any lot in an area visible from adjoining properties or streets. Additionally, no automobile, camper, mobile home, commercial vehicle, truck, boat or other equipment may be dismantled or stored on any lot in an area visible from adjoining properties or streets.
- 18. No commercial tools, equipment, commercial vehicles, structures or other commercial appurtenances shall be stored at any time on any lot.
- 19. Purchasers/Owners shall on an equal share basis, assume responsibility to maintain any and all off-site improvements which have been installed by Subdivider.
- 20. Purchasers/Owners or their successors in interest shall assume responsibility to maintain walls erected by Subdivider. Side and front walls shall be of the same type and color as presently installed and shall be erected within three months from completion of construction of house on said lot. Cost of side walls shall be agreed upon and equally shared by adjoining property owners. In the event side walls are already erected at time of purchase of lot, the Purchaser of that lot shall pay the adjoining lot owner who previously erected said wall one half (1/2) the cost as proven by his paid receipts. Payment shall be made within sixty (60) days from date of purchase of said lot.
- 21. A property owners committee shall be established by all owners of lots within the subdivision.
  - a. The committee shall determine the type and cost of landscaping on the four (4) exterior wall planters, and the entrance-way planters. The committee shall also determine the method and cost of watering and maintaining planters. All costs shall be equally shared by all owners of lots within the subdivision. In the event of any disagreement, the majority shall rule.
  - b. The exterior perimeter wall along the Oakey, Tenaya and El Parque frontage shall be maintained and/or repaired when appropriate, under the direction of the property owners committee. The costs to be equally shared by all 9 lot owners.
  - c. The Entrance Gate and it's related mechanical and electrical systems shall be maintained and/or repaired on an equal share basis by all lot owners.
  - d. The Private Drive (the interior street) used for ingress and egress purposes by all shall be maintained and/or repaired on an equal share basis by an owners of lots within the subdivision.
- 22. Construction trailers or mobile homes will not be permitted on any lot within the

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- 23. Each of the provisions of these covenants, conditions and restrictions shall be deemed independent and severable and the invalidity or partial invalidity of any provision or portion thereof, shall not effect validity or enforceability of any other provision.
- 24. Except as otherwise provided herein, Subdivider or any owner or owners of any of the lots shall have the right to enforce any or all of the provisions of the covenants, conditions and restrictions upon any other owner or owners. In order to enforce said provision or provisions, any appropriate judicial proceeding in law or in equity may be initiated and prosecuted by any such lot owner or owners against any other owner or owners.
- 25. Attorney's Fees: In any legal or equitable proceeding for the enforcement of or to restrain the violation of the Declaration of Covenants, Conditions and Restrictions or any provision thereof, the losing party or parties shall pay in such amount as may be fixed by the court in such proceeding.

IN WITNESS WHEREOF, said Owner/Subdivider Baughman & Turner Pension Trust of Nevada, has hereunto affixed their signatures.

Date: 17/77 Supokum + Juhrer
Owner/Subdivider/Trustee Stephen F. Turner
Date: 1-4-94 Richard J. Baughman Owner/Subdivider/Trustee Richard J. Baughman
Owner/Subdivider/Trustee Richard J. Baughman
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On this 4th day of JANUARY, 1994, before me, the undersigned, a Notary Public in and for said County and State, Personally appeared
Stephen F. Turner & Richard J. Baughman Notary Pushe-State Of Neward
DIANA LYN SCHULTZ My Commission Expires June 1, 1997
(this area for official seal)
Aliana Other Schulty When Recorded Mail To
Notary Public in and for said County and State Bauchman & Manager

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CLARK COUNTY, NEVADA JOAN L. SWIFT, RECORDER RECORDED AT REQUEST OF:

When Recorded Mail To:
Baughman & Turner, Inc.
1210 Hinson Street
Las Vegas, NV 89102

BAUGHMAN & TURNER INC

01-04-94 14:00 PDR OFFICIAL RECORDS BOOK: 940104 INST: 01241

FEE: 10.00 RPTT:

# EXHIBIT D

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OGSJ	Alun & Chuin
Richard E. Haskin, Esq.	CLERK OF THE COURT
Nevada State Bar # 11592	
GIBBS GIDEN LOCHER TURNER	
SENET & WITTBRODT LLP	
7450 Arroyo Crossing Parkway, Suite 270	
Las Vegas, Nevada 89113-4059	

CLARK COUNTY, NEVADA

5 Attorneys for Plaintiff JOHN ALLEN LYTLE and 6 TRUDI LEE LYTLE 7 as Trustees of the Lytle Trust

(702) 836-9800

DISTRICT COURT

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

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

Defendants.

Plaintiffs,

CASE NO. A-09-593497-C Dept.: XII

ORDER GRANTING PLAINTIFFS JOHN ALLEN LYTLE AND TRUDI LEE LYTLE'S MOTION FOR SUMMARY JUDGMENT

PLEASE TAKE NOTICE that on April 1, 2013, the Court heard Plaintiffs JOHN ALLEN LYTLE and TRUDI LYTLE, as TRUSTEES OF THE LYTLE TRUST's ("Plaintiff"), Motion for Summary Judgment, and ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION's (the "Association") Motion for Summary Judgment. After considering the motions, oppositions and replies thereto, the declarations, affidavits, and evidence submitted therewith, and hearing oral argument thereon, the Court grants Plaintiffs JOHN ALLEN LYTLE AND TRUDI LEE LYTLE, as TRUSTEES OF THE LYTLE TRUST's Motion for Summary Judgment. The Court further denies ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION's Motion for Summary Judgment. ///

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Pursuant to NRCP 56(c), the Court's findings with respect to the undisputed material facts and legal determinations on which the court granted summary judgment are set forth herein and as follows:

#### I. FINDINGS OF UNDISPUTED MATERIAL FACTS

- 1. On January 4, 1994, Baughman & Turner Pension Trust (the "Developer"), as the subdivider of a cul-de-sac to be made up of nine (9) residential lots on a street known as Rosemere Court in Las Vegas, Nevada, recorded with the Clark County Recorder's Office a Declaration of Covenants, Conditions, and Restrictions ("Original CC&Rs.)
- 2. The Original CC&Rs consist of four (4) pages and 25 paragraphs, with no bylaws annexed, no amendment provision, and no homeowners association, as defined by Chapter 116.
- 3. The Original CC&Rs create a "property owners' committee" with very limited maintenance duties over specific common area items (exterior walls and planters, entrance way and planters, entrance gate, and the private street), which are specifically set forth in Paragraph 21 of the Original CC&Rs.
- 4. The Original CC&Rs then grant each homeowner, and not any homeowners' association, the power to enforce the Original CC&Rs against one another.
- 5. Among other things, there are no rental or pet restrictions or construction deadline in the Original CC&Rs.
- 6. The Developer then sold the nine (9) undeveloped lots between May 1994 and July 1996.
- 7. The first of the lots was conveyed by the Developer under the Original CC&Rs on May 19, 1994.
- 8. Plaintiff's trustees, John Allen Lytle and Trudi Lee Lytle (the "Lytles"), purchased a Rosemere Estates property, assessor's parcel number ("APN") 163-03-313-009 ("Plaintiff's Property"), on November 6, 1996, from the original buyer who first purchased it from the Developer on August 25, 1995.
  - 9. The Lytles later transferred Plaintiff's Property to Plaintiff.

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- 10. The Lytles purchased the property with the sole purpose of building a custom home thereon.
- 11. The primary reasons that the Lytles selected the property were the limited restrictions contained in the Original CC&Rs and the lack of a "unit-owners association," as that term is legally defined by Chapter 116 of the Nevada Revised Statutes ("NRS").
- Further, the Lytles could not meet any restrictive deadline on construction, so 12. Plaintiff purposefully selected in a community with no construction deadline.
- 13. Plaintiff undertook the design of the new custom built home, and by 2006, Plaintiff had developed preliminary plans that were approved by the Developer.
- 14. Sometime after Plaintiff purchased its property, a group of property owners formed the Rosemere Estates Property Owners Association (the "Association"), with the sole purpose of maintaining those common areas designated by Paragraph 21 of the Original CC&Rs.
- In 1997, two owners, acting on behalf of all owners, filed Non-Profit Articles of Incorporation (the "Articles") pursuant to NRS 82, which formalized the property owners' committee and named it "Rosemere Estates Property Owners Association."
- The property owners recognized that the Association did not have powers granted to it other than those granted by the Original CC&Rs. For example, the Association had no power to assess, fine, issue rules and regulations, or undertake other actions commonly reserved for homeowners' associations.
- In 1997, some of the property owners prepared and distributed a proposed set of 17. amended CC&Rs, which proposed to empower the Association and drastically increase the scope of the Original CC&Rs.
- 18. The property owners determined that unanimous consent was required to amend the Original CC&Rs. Due to a failure to obtain unanimous consent, as required, the proposed CC&Rs were not adopted.

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- At a February 23, 2004 Association meeting, two Board members presented a set of 19. proposed, amended CC&Rs. The newly proposed CC&Rs included various restrictions not within the Original CC&Rs, including animal restrictions, exterior maintenance and repair obligations, prohibitions against "unsightly articles," and other use restrictions and obligations.
- 20. The proposed amended CC&Rs were not unanimously approved at the February 23, 2004 meeting and, therefore, not adopted.
- 21. Without warning, consultation or advisement to the Rosemere property owners, on or about July 2, 2007, Amended and Restated CC&Rs were again proposed to the property owners by the Board.
- 22. This third set of proposed amended CC&Rs increased the complexity, scope, and size of the CC&Rs, from 4 pages to 36 pages, and contained numerous additional restrictions upon the property owners.
- At the July 2, 2007 homeowners' meeting, the Association's Board presented the 23. property owners with a binder that contained the following: (1) new Articles of Incorporation, dated June 6, 2007, which articles were never filed although represented to be as set forth herein; (2) a letter from the Board to the Association members; (3) a Corporate Charter referencing the February 25, 1997 and June 6, 2007 Articles of Incorporation; (4) a section entitled "Governing Documents" referencing the June 6, 2007 Articles of Incorporation; (5) the "First Statutorily Mandated Amendment to the Bylaws of the Rosemere Estates Homeowners Association," containing the recital "WHEREAS, the Declaration was recorded in the Office of Clark County Recorder on January 4, 1994, which Declaration provides for a method to make amendments to the Declaration and Bylaws...;" (6) the proposed Amended and Restated Covenants, Conditions and Restrictions ("Amended CC&Rs"). Bylaws did not exist prior to 2007.
- 24. The binders containing all of the foregoing documents were presented to each homeowner together with the following misrepresentations: (1) the June 6, 2007 Articles of Incorporation were filed with the Secretary of State, (2) the original CC&Rs provided a method for amendment, (3) the CC&Rs could be amended without unanimous consent, (4) the 1999 Nevada Legislature, through adoption of Senate Bill 451, "mandated" that the original CC&Rs be changed

to conform to NRS Chapter 116 "without complying with the procedural requirements generally applicable to the adoption of an amendment...," and (5) all of the changes made were under NRS 116.2117.

- 25. The proposed Amended CC&Rs were far more restrictive than the Original CC&Rs and changed the very nature of property ownership within Rosemere Estates. The Amended CC&Rs contained numerous and onerous new use restrictions including the drastic expansion of the powers, rights, and duties of the Association, a section entitled "Restrictions on Use, Alienation, and Occupancy," pet restrictions, parking restrictions, lease restrictions, the establishment of a Design Review Committee with unfettered discretion, and a new and expansive definition of "nuisance."
  - 26. The Amended CC&Rs also contained a morality clause, providing as follows: No use that is reasonably deemed immoral, improper, offensive, or unlawful by the Board of Directors may be made of the Property or any portion thereof.
- 27. The Amended CC&Rs also contained a pet restriction that permits any animal found off a leash to immediately be turned over to animal control, and any animal causing a "nuisance," a vague and undefined term, to be permanently removed from Rosemere Estates upon three days written notice and hearing before the Board.
- 28. Finally, the proposed Amended CC&Rs contained a construction timeline that would require Plaintiff to complete the construction of the custom home on the lot within a mere 60 days of receipt of approval from the proposed Design Review Committee—something never envisioned in the Original CC&Rs and impossible to adhere to.
- 29. Plaintiff's property is the only Property subject to this restriction as Plaintiff's Property was the only undeveloped lot at the time of amendment.
- 30. Further, the 60 day deadline is impossible to satisfy, and the homeowner is fined \$50.00 per day for failure to comply with this impossible deadline.

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- Pursuant to the Amended CC&Rs, approval for a home design was (1) entirely within 31. the Board's discretion, (2) based on Design Review Guidelines that have never been published, and (3) not subject "to any objective standards of reasonableness." After the Board presented the proposed Amended CC&Rs to the owners, together 32.
- with the written misrepresentations set forth above, the Board did not provide the owners with a reasonable time to review or discuss the lengthy pack of legal documents, or to seek legal advice. Rather, the Board insisted that the amendment was "a done deal."
- Despite the misrepresentations introducing the governing documents, the vast expansion of the Original CC&Rs, the lack of any review time or discussion, and the insistence that the amendment was a "done deal," the Board asked the property owners to sign documents acknowledging their approval, with a notary retained by the Board present to verify signatures.
- The Amended CC&Rs were not agreed to by all property owners at the July 2, 2007 meeting. In fact, only five of the property owners approved, with three property owners who refused to sign the amendment. A fourth homeowner submitted a disputed proxy that was not counted by the Board.
- Despite the failure to obtain the required unanimous approval for amending the 35. Original CC&Rs, the Association proceeded, on July 3, 2007, to record the Amended CC&Rs in the office of the Recorder for Clark County, Nevada.

#### LEGAL DETERMINATIONS II.

#### Summary Judgment Standard A.

- Summary judgment shall be rendered in favor of a moving party if the pleadings, 1. depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law. NRCP Rule 56(c).
- "Summary Judgment is appropriate and shall be rendered forthwith when the 2. pleadings and other evidence on file demonstrate that no 'genuine issue as to any material fact [remains] and that the moving party is entitled to judgment as a matter of law." Wood v. Safeway, 121 Nev. 724, 731, 121 P.3d 1026, 1031 (2005) (quoting NRCP 56(c).)

3. The Nevada Supreme Court held that "Rule 56 should not be regarded as a disfavored procedural shortcut" but instead as an integral important procedure which is designed "to secure just, speedy and inexpensive determination in every action." *Wood*, 121 Nev. at 730, 121 P.3d at 1030 (internal citation omitted).

#### B. Plaintiff Is Entitled To Summary Judgment In Its Favor

- 4. A declaratory relief cause of action is proper where a conflict has arisen between the litigating parties, and the action is brought to establish the rights of the parties. 26 C.J.S. Declaratory Judgments § 1.
- 5. Plaintiff's Cause of Action for Declaratory Relief seeks (1) a declaration from the Court that the Amended CC&Rs were not properly adopted by the members of the Association and were improperly recorded against Plaintiff's Property, and (2) a permanent injunction against the Association from adopting further amendments without unanimous consent.
- 6. Summary judgment as to the Declaratory Relief Cause of Action is warranted based on the Court's finding that the Amended CC&Rs were not adopted with unanimous consent, as required, and were, therefore, improperly recorded against Plaintiff's Property.

## C. Rosemere Is A Limited Purpose Association Under NRS 116.1201 And Not A Unit-Owners' Association Within The Meaning Of NRS, Chapter 116

7. In order to create a valid unit-owners' association, as defined by Chapter 116, certain formalities "must" be followed. NRS 116.3101 provides, in pertinent part,

#### Organization of unit-owners' association.

- 1. A unit-owners' association must be organized no later than the date the first unit in the common-interest community is conveyed....
- 8. The purpose of Section 3101 is to provide the purchaser record notice that he/she/it is purchasing a property that is governed by a homeowners association and will be bound by Chapter 116, et seq.

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- There is a strong public policy in protecting property owners in common-interest 9. communities against any alteration of the burdens of character of the community. Rest. 3d, Property – Servitudes, § 6.10, Comments.<sup>1</sup>
- A buyer is said to have "record notice" of the recorded covenants, conditions and restrictions on the property, thus the mandate that the homeowners' association be formed prior to conveyance of the first unit in the community, together with the requirement that the CC&Rs be recorded. NRS 116.3101.
- Here, no Chapter 116 unit-owners' association was formed because no association was organized prior to the date the first unit was conveyed. The Association was not formed until February 25, 1997, more than three years after Rosemere Estates was formed and the Original CC&Rs were recorded.
- Further, the Association did not have any powers beyond those of the "property 12. owners committee" designated in the Original CC&Rs—simply to care for the landscaping and other common elements of Rosemere Estates as set forth in Paragraph 21 of the Original CC&Rs.
- The Original CC&Rs provide for the creation of a "property owners' committee," which is a "limited purpose association," as defined by the 1994 version of NRS 116.1201, then in effect. That provision provided that Chapter 116 did not apply to "Associations created for the limited purpose of maintaining. . . "[t]he landscape of the common elements of a common interest community...."
- In 1997, Rosemere Estates' owners formed the Association for the express and limited purpose of (1) tending to the limited matters set forth in Paragraph 21 of the Original CC&Rs, (2) holding a bank account in which to deposit and withdraw funds for the payment of the limited common area expenses assigned to the Owners Committee, and (3) purchasing liability insurance. The intent was never to form a unit-owners' association within the meaning of Chapter 116.

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<sup>&</sup>quot;Property owners in common-interest communities are protected against amendments that unfairly change the allocation of burdens in the community or change the character of the community." Rest. Law 3d, Property – Servitudes, § 6.10, Comments.

- 15. A limited purpose association cannot enforce "any restrictions concerning the use of units by the units' owners, unless the limited-purpose association is created for a rural agricultural residential common-interest community." NRS 116.1201(2)(a)(5). There is no question that Rosemere Estates was not "created for a rural agricultural residential common-interest community," hence the Association cannot enforce "any restrictions concerning the use of units by the units' owners...."
- 16. In reviewing the language of the Original CC&Rs, the Court must strictly construe the covenants thereto and any "doubt will be resolved in favor of the unrestricted use of the property..." Dickstein v. Williams, 93 Nev. 605, 608, 571 P.2d 1169 (1977); see also, e.g., South Shore Homes Ass'n v. Holland Holidays, 549 P.2d 1035, 1043 (Kan. 1976); Duffy v. Sunburst Farms East Mutual Water & Agricultural Company, Inc., 604 P.2d 1124 (Ariz. 1980); Bordleon v. Homeowners Ass'n of Lake Ramsey, 916 So.2d 179, 183 (La. Ct. App. 2005); Cummings v. Dosam, 159 S.E.2d 513, 517 (N.C. 1968); Long v. Branham, 156 S.E.2d 235, 236 (N.C. 1967).
- 17. In keeping with this well-settled and general principle, the Court construes the Original CC&Rs pursuant to the plain meaning of the language therein. Nowhere is there reference in the Original CC&Rs to a "unit-owners' association" or "homeowners association." Rather, the Developer created a 116.1201 *limited purpose association* termed a "property owners' committee," and the Developer provided that committee with limited, rather than comprehensive, duties and powers.
- 18. Consistent with the absence of a governing body, *e.g.* unit-owners' association, delegated with the duty to enforce the Original CC&Rs, the Developer provided each homeowner the right to independently enforce the Original CC&Rs against one another.
- 19. The Association is a limited purpose association under NRS 116.1201, is not a Chapter 116 "unit-owners' association," and is relegated to only those specific duties and powers set forth in Paragraph 21 of the Original CC&Rs and NRS 116.1201.

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### D. The CC&Rs Can Only Be Amended By Unanimous Consent of All Property Owners

- 20. Because Rosemere Estates is a limited purpose association under NRS 116.1201, NRS 116.2117, the statutory provision typically governing amendments to the CC&R's, does not apply here.
- 21. The Original CC&Rs are mutual and reciprocal among all of the Rosemere Estates property owners. The Original CC&Rs "touch and concern" (and thus "run with") the land. Accordingly, under long-standing and well-established common law, the Original CC&Rs are binding, and not subject to amendment, absent a new conveyance properly executed by all Rosemere property owners and in conformance with all of the other legal requirements for a valid transfer of an interest in real property. In short, there can be no valid amendment of the Original CC&Rs absent, at a minimum, the unanimous consent of all Rosemere property owners.
- 22. There has never been unanimous consent to amend the Original CC&Rs and there has never been a valid conveyance of Plaintiff's interest in the Original CC&Rs. Specifically, unanimous consent was not received in 2007, when the invalid Amended CC&Rs were wrongfully recorded by the Association.
- 23. Even if the provisions related to amendment within Chapter 116 were to apply, the Amended CC&Rs would still be invalid, and wrongly recorded, because NRS 116.2117 required unanimous consent under these circumstances. NRS 116.2117 specifies the kinds of amendments that require unanimous unit owner approval (as opposed to majority or supermajority approval). In particular, a "change of use" always requires unanimous approval.

#### NRS 116.2117 provides, in pertinent part:

1. . . . the declaration, including any plats, may be amended only by vote or agreement of units' owners of units to which at least a majority of the votes in the association are allocated, unless the declaration specifies a different percentage for all amendments or for specified subjects of amendment. If the declaration requires the approval of another person as a condition of its effectiveness, the amendment is not valid without that approval.

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4. Except to the extent expressly permitted or required by other provisions of this chapter, no amendment may change the boundaries of any unit, change the allocated interests of a unit or change the uses to which any unit is restricted, in the absence of unanimous consent of only those units' owners whose units are affected and the consent of a majority of the owners of the remaining units.

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(Emphasis added.)

24. For the reasons set forth above, the Association's countermotion for summary judgment is without merit.

#### III. JUDGMENT

IT IS HEREBY ADJUDGED AND DECREED:

#### A. Declaration

25. Pursuant to the foregoing, this Court declares and orders that the Amended CC&Rs were not properly adopted or recorded, that the Amended CC&Rs are invalid, and that the Amended CC&Rs have no force and effect. This Order, may be recorded in the Office of the Clark County Recorder's Office by any party and, once recorded, shall be sufficient notice of same.

#### B. Injunctive Relief

26. The Association is permanently enjoined from recording and enforcing the Amended CC&Rs. The Association is hereby ordered to release the Amended CC&Rs, Document Number 20070703-0001934, recorded with the Clark County Recorder on July 3, 2007, within ten (10) court days after the date of Notice of Entry of this Order.

#### C. Plaintiff's Monetary Damages

27. Plaintiff's monetary damages are subject to a prove-up hearing, and Plaintiff is to submit a separate motion regarding the same.

#### D. The Association's Motion For Summary Judgment

28. The Association's Motion for Summary Judgment is denied.

#### E. Costs

29. Plaintiff is deemed the prevailing party in this action. Plaintiff is directed to prepare, file and serve a Memorandum of Costs.

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F. At	torneys'	Fee

30. Plaintiff is deemed the prevailing party in this action. Any motion for attorney fees will be addressed separately by the Court.

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Prepared and submitted by:

Richard E. Haskin, Esq.

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

7450 Arroyo Crossing Parkway, Suite 270

Las Vegas, Nevada 89113

Attorney for Plaintiff

JOHN ALLEN LYTLE and TRUDI LEE LYTLE

as Trustees of the Lytle Trust

# EXHIBIT E

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Richard E. Haskin, Esq. Nevada State Bar # 11592 CLERK OF THE COURT Timothy P. Elson, Esq. Nevada State Bar # 11559

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

7450 Arroyo Crossing Parkway, Suite 270 Las Vegas, Nevada 89113-4059 (702) 836-9800

Attorneys for Plaintiff JOHN ALLEN LYTLE and TRUDI LEE LYTLE

#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

JOHN ALLEN LYTLE and TRUDI LEE LYTLE, as Trustees of the Lytle Trust,	CASE NO. A-09-593497-C Dept.: XII
Plaintiff, v.	ABSTRACT OF JUDGMENT
ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION; and DOES 1 through 10, inclusive,	
Defendants.	

In the District Court of Clark County, State of Nevada, on July 29, 2013, a Judgment was entered in favor of Plaintiffs JOHN ALLEN LYTLE and TRUDI LEE LYTLE, as Trustees of the Lytle Trust ("Plaintiffs") and against Defendant ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION ("Defendant").

On May 25, 2016, the District Court entered an Order Awarding Attorneys' Fees in the amount of \$297,072.66 in favor of Plaintiff and against Defendant.

On June 17, 2016, the District Court entered an Order Awarding Plaintiffs' Damages Following Prove-Up Hearing against Defendant in the amount of \$63,566.93.

Finally, on July 22, 2016, the District Court entered and Order Awarding Plaintiffs' Costs against Defendant in the amount of \$599.00.

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Pursuant to the foregoing, the total amount of the Judgment, plus attorneys' fees and costs is \$361,238.59. In addition, Plaintiff is due post-judgment interest at the Nevada legal rate annually until the Judgment is satisfied.

I certify that the foregoing is a correct abstract of the judgment rendered in the above action in my Court.

Respectfully requested by:

GIBBS GIDEN LOCHER TURNER SENET & WITTBROOT LLP

By:

Richard E. Haskin, Esq. Nevada State Bar # 11592 Timothy P. Elson, Esq.

Nevada State Bar # 11559

7450 Arroyo Crossing Parkway, Suite 270 Las Vegas, Nevada 89113-4059

Attorneys for Plaintiff

JOHN ALLEN LYTLE and TRUDI LEE LYTLE

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# EXHIBIT F

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

GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP

1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144-0596
Telephone: (702) 836-9800
E-mail: rhaskin@gibbsgiden.com

Attorneys for Plaintiffs
JOHN ALLEN LYTLE and
TRUDI LEE LYTLE

### DISTRICT COURT

#### CLARK COUNTY, NEVADA

///
Counterdefendants.
JOHN ALLEN LYTLE and TRUDI LYTLE, as Trustees of the Lytle Trust,
ν,
Counterclaimants,
ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION, a Nevada non-profit corporation; and DOES I through X, inclusive,
Defendants.
ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION, a Nevada non-profit corporation; and DOES I through X, inclusive,
Plaintiffs, v.
Trustees of the Lytle Trust,

CASE NO. A-10-631355-C Dept.: XXXII

#### ABSTRACT OF JUDGMENT

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In the District Court of Clark County, State of Nevada, on November 14, 2016, an Order Granting Summary Judgment was entered in favor of Plaintiffs JOHN ALLEN LYTLE and TRUDI LEE LYTLE, as Trustees of the Lytle Trust ("Plaintiffs") and against Defendant ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION ("Defendant").

On April 14, 2017, the District Court entered an Order Awarding Attorneys' Fees in the amount of \$274,608.28, and \$4,725.00 in costs, all in favor of Plaintiff and against Defendant.

On May 11, 2017, the District Court entered an Order Awarding Plaintiffs' Punitive Damages Following Prove-Up Hearing against Defendant in the amount of \$823,824.84, pursuant to NRS 42.005.

Pursuant to the foregoing, the total amount of the Judgment, including attorneys' fees and costs, is \$1,103,158.12.

In addition, Plaintiffs are due post-judgment interest at the Nevada legal rate annually until the Judgment is satisfied.

I certify that the foregoing is a correct abstract of the judgment rendered in the above action in my Court.

DATED: DV/ 2017

DISTRICT COURT JUDGE

ROB BARE
JUDGE, DISTRICT COURT, DEPARTMENT 32

Respectfully requested by:

GIBBS GIDEN LOCHER TURNER SENET & WITTBROOT LLP

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Richard E. Haskin, Esq. Nevada State Bar # 11592 Timothy P. Elson, Esq. Nevada State Bar # 11559

7450 Arroyo Crossing Parkway, Suite 270

Las Vegas, Nevada 89113-4059

Attorneys for Plaintiffs

JOHN ALLEN LYTLE and TRUDI LEE LYTLE

1888608.1

By:

### EXHIBIT G

**Electronically Filed** 11/8/2017 2:25 PM Steven D. Grierson CLERK OF THE COURT

ORD

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

GIBBS GIDEN LOCHER TURNER

Las Vegas, Nevada 89144 (702) 836-9800

Attorneys for Plaintiff LYTLE

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SENET & WITTBRODT LLP 1140 N. Town Center Dr., Suite 300

JOHN ÁLLEN LYTLE AND TRUDI LEE

#### DISTRICT COURT

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

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

Plaintiff,

ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION; SHERMAN L. KEARL, an individual; GERRY G. ZOBRIST, an individual; and DOES 1 through 10, inclusive,

Defendants.

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

ORDER GRANTING PLAINTIFF JOHN ALLEN LYTLE AND TRUDI LEE LYTLE'S, AS TRUSTEES OF THE LYTLE TRUST, MOTION FOR ATTORNEYS' FEES

On November 2, 2017, Plaintiffs John Allen Lytle and Trudi Lee Lytle ("Plaintiffs") Motion for Attorneys' Fees and Costs came on regularly for hearing, the Honorable Jerry A. Wiese presiding. Plaintiffs appeared through counsel, Richard E. Haskin, Esq. of Gibbs Giden Locher Turner, Senet & Wittbrodt, LLP. There was no appearance for Defendant Rosemere Estates Property Owners' Association ("Defendant"). Defendant did not file an opposition to the Motion and did not make an appearance at the hearing. Having considered the Motion, the arguments of counsel, the pleadings and papers on file herein, and good cause appearing therefore, the Court finds:

As the prevailing parties, Plaintiffs are entitled to an award of attorney fees under the 1. Original CC&Rs and NRS § 116.4117.

2.	The plain terms of the Original CC&Rs authorize an award of fees in favor of
Plaintiffs.	As the Original CC&Rs provide, in pertinent part:

- 24. Except as otherwise provided herein, Subdivider or any owner or owners of any of the lots shall have the right to enforce any or all of the provisions of the covenants, conditions, and restrictions upon any other owner or owners. In order to enforce said provision or provisions, any appropriate judicial proceeding in law or in equity may be initiated and prosecuted by any lot owners or owners against any other owner or owners.
- 25. Attorney's Fees: In any legal or equitable proceeding for the enforcement of or to restrain the violation of the Declaration of Covenants, Conditions and Restrictions or any provision thereof, the losing party or parties shall pay in such amount as may be fixed by the court in such proceeding.

See Original CC&Rs, ¶¶ 24, 25.

- 3. Plaintiffs prevailed in this action, and the Court granted Plaintiffs' motion for summary judgment, in its entirety. Accordingly, Plaintiffs are entitled to an award of attorney fees, pursuant to the terms of the Original CC&Rs.
- 4. Further, Plaintiffs are also entitled to an award of attorney fees pursuant to NRS 116.4117. NRS 116.4117 provides as follows:
  - 1. Subject to the requirements set forth in subsection 2, if a declarant, community manager or any other person subject to this chapter fails to comply with any of its provisions or any provision of the declaration or bylaws, any person or class of persons suffering actual damages from the failure to comply may bring a civil action for damages or other appropriate relief. . .
  - 4. The court may award reasonable attorney's fees to the prevailing party.
- 5. The term "damages" in the phrase "suffering actual damages" refers to damages in the general sense of specifically provable injury, loss, or harm rather than the specific sense of economic damages. Whether quantifiable as a monetary loss or not, Plaintiffs suffered an injury, loss or harm as a result of the Association's actions. Accordingly, under the statute they had the right to bring a civil action for damages or other appropriate relief and, having, prevailed thereon may be awarded their reasonable attorney fees as the prevailing party.

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6.	Plaintiffs' attorneys' fees, as set forth in the Motion and the affidavits in support
thereof, satisf	y the factors set forth in Brunzell v. Golden gate Nat'l Bank (1969) 85 Nev. 345, 349
455 P.2d 31, 3	33. The Court considered all of the factors and applied them to Plaintiffs' request for
attorneys' fee	S.

- 7. Specifically, the Court considered: (1) the qualities of the advocate, *i.e.* his ability, training and experience; (2) the character of the work done, its difficulty, intricacy, importance, time and skill required; (3) the work actually performed by the attorneys; and (4) the result, *i.e.* whether the attorney was successful in achieving a result for the client.
- 8. The Court applied each of the foregoing *Brunzell* factors to the work performed by Plaintiffs' attorneys, as set forth in the various affidavits and declarations presented to this Court with the moving papers, and concludes that each factor favors an award of the fees requested.
- 9. Plaintiffs' attorneys did admirable work in connection with this action, and the fees requested are reasonable given Plaintiffs' counsel's qualifications, the character of the work, the time and skill required, and the result achieved.
  - Plaintiffs are further entitled to costs in accordance with NRS 18.020.
     Therefore,

IT IS HEREBY ORDERED that that Plaintiffs' Motion for Attorneys' Fees is GRANTED.

IT IS FURTHER ORDERED that Plaintiffs are awarded \$14,807.50 in attorneys' fees and \$655.10 in costs as against Defendant.

DATED this \_\_\_\_\_ day of November, 2017\_

HONORABLE ROB BARE Jerry A. Wiese IL DISTRICT COURT JUDGE

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#### Submitted by:

GIBBS GIDEN LOCHER TURNER, SENET & WITTBRODT LLP

Richard E. Haskin, Esq.
Nevada State Bar # 11592
1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144
Attorneys for Plaintiffs

JOHN ALLEN LYTLE and

TRUDI LEE LYTLE

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# EXHIBIT H

1 **ORDR** Richard E. Haskin, Esq. 2 Nevada State Bar # 11592 Timothy P. Elson, Esq. 3 Nevada State Bar # 11559 GIBBS GIDEN LOCHER TURNER 4 SENET & WITTBRODT LLP 1140 N. Town Center Drive, Suite 300 5 Las Vegas, Nevada 89144-0596 (702) 836-9800 6 Attorneys for Defendants 7 TRUDI LEE LYTLE, JOHN ALLEN LYTLE, & THE LYTLE TRUST 8 9 DISTRICT COURT 10 **CLARK COUNTY, NEVADA** 11 12 MARJORIE B. BOULDEN, TRUSTEE OF THE Case No.: A-16-747800-C XVI MARJORIE B. BOULDEN TRUST, LINDA Dept.: 13 LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA ORDER GRANTING MOTION TO 14 LAMOTHE LIVING TRUST ALTER OR AMEND FINDINGS OF FACT AND CONCLUSIONS OF LAW 15 Plaintiff, V. Hearing: June 29, 2017 16 TRUDI LEE LYTLE, JOHN ALLEN LYTLE, 17 THE LYTLE TRUST, DOES I through X, inclusive, and ROE CORPORATIONS I through 18 Χ, 19 Defendants. 20 21 Plaintiffs' Motion for Partial Summary Judgment and Defendants' Counter Motion for 22 Summary Judgment having come on for hearing before this Court on of April 13, 2017. Plaintiffs 23 Marjorie Boulden and Linda Lamothe appeared with their counsel, Daniel T. Foley, Esq. and 24 Defendants John Allen Lytle and Trudi Lee Lytle, as Trustees of the Lytle Trust, appeared with their 25 counsel, Richard Haskin, Esq. After hearing, the Court entered Findings of Fact, Conclusions of 26 Law and entered an Order Granting Plaintiffs' Motion for Partial Summary Judgment on April 25, 2017. 27 28

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On June 29, 2017, Defendants' Motion for Reconsideration or, in the Alternative, Motion to Alter or Amend Judgment, came on for hearing. Plaintiffs Marjorie Boulden and Linda Lamothe appeared with their counsel, Daniel T. Foley, Esq. and Defendants John Allen Lytle and Trudi Lee Lytle, as Trustees of the Lytle Trust, appeared with their counsel, Richard Haskin, Esq.

The Court having reviewed the Defendants' Motion, Plaintiff's Opposition and the Defendants' Reply, all documents attached thereto or otherwise filed in this case, and good cause appearing therefore, grants Defendants' Motion to Alter and Amend Judgment pursuant to EDCR 2.24(b), and the Court makes the following Amendment Findings of Fact and Conclusions of Law, granting Plaintiffs' Motion for Partial Summary Judgment.

#### **FINDINGS OF FACT**

- 1. Mrs. Boulden is trustee of the Marjorie B. Boulden Trust (hereinafter "Mrs. Boulden") which owns that residential property known as parcel number 163-03-313-008 also known as 1960 Rosemere Ct., Las Vegas, NV 89117 ("the Boulden Property").
- 2. Mr. and Mrs. Lamothe are the trustees of the Linda Lamothe and Jacques Lamothe Living Trust (hereinafter "Mr. and Mrs. Lamothe") which owns that certain residential property known as parcel number 163-03-313-002 also known as 1830 Rosemere Ct., Las Vegas, NV 89117 (the "Lamothe Property").
- 3. The Boulden Property and the Lamothe Property are located in the Rosemere Court subdivision and are subject to the CC&Rs recorded January 4, 1994 (the "Original CC&Rs").
- 4. John Allen Lytle and Trudi Lee Lytle are the Trustees of the Lytle Trust (collectively the "Defendants") which owns that certain residential property known as parcel number 163-03-313-009 (the "Lytle Property").
- 5. In 2009, the Defendants sued the Rosemere Estates Property Owners Association (the Association") in the Eighth Judicial District Court, case # A-09-593497-C (the "Rosemere LPA Litigation").
  - 6. None of the Plaintiffs were ever parties in the Rosemere LPA Litigation.
- 7. None of the Plaintiffs were a "losing party" in the Rosemere LPA Litigation as that term is found in Section 25 of the Original CC&Rs.

- 8. The Defendants obtained a Summary Judgment for Declaratory Relief from the District Court in the Rosemere LPA Litigation, which found and ruled as follows:
  - a. The Association is a limited purpose association under NRS 116.1201, is not a Chapter 116 "unit-owners' association," and is relegated to only those specific duties and powers set forth in Paragraph 21 of the Original CC&Rs and NRS 116.1201.
  - b. The Association did not have any powers beyond those of the "property owners committee" designation in the Original CC&Rs simply to care for the landscaping and other common elements of Rosemere Estates as set forth in Paragraph 21 of the Original CC&Rs.
  - c. Consistent with the absence of a governing body, the Developer provided each homeowner the right to independently enforce the Original CC&Rs against one another.
  - d. The Amended and Restated CC&Rs recorded with the Clark County Recorder's Office as Instrument #20070703-0001934 (the "Amended CC&Rs") are invalid, and the Amended CC&Rs have no force and effect.
- 9. Pursuant to NRS 116.1201(2) much of NRS Chapter 116 does not apply to the Association because it is a limited purpose association that is not a rural agricultural residential community.
- 10. After obtaining Summary Judgment in the Rosemere LPA Litigation, the Defendants filed a Motion for Attorneys' Fees and Costs against the Association, and conducted a prove-up hearing on damages. After hearing all matters, a Final Judgment was entered in the Defendants' favor against the Association for \$361,238.59, which includes damages, attorneys' fees and costs (the "Final Judgment").
- 11. After obtaining the Attorneys' Fees Judgment, the Defendants, on August 16, 2016, recorded with the Clark County Recorder's office an Abstract of Judgement referencing the Final Judgment against the Association, recorded as Instrument #20160818-0001198 (the "First Abstract of Judgment").
- 12. In the First Abstract of Judgment, the Defendants listed the parcel numbers of the Boulden Property and the Lamothe Property as properties to which the First Abstract of Judgment and Final Judgment was to attach.

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- 13. On September 2, 2016, the Defendants recorded with the Clark County Recorder's office an Abstract of Judgement referencing the Final Judgment against the Association, recorded as Instrument #20160902-0002684 (the "Second Abstract of Judgment"). The Second Abstract of Judgment listed the parcel number of the Lamothe Property only as the property to which the Judgment was to attach.
- 14. On September 2, 2016, the Defendants recorded with the Clark County Recorder's office an Abstract of Judgement referencing the Final Judgment against the Association, recorded as Instrument #20160902-0002690 (the "Third Abstract of Judgment"). The Third Abstract of Judgment listed the parcel number of the Boulden Property only as the property to which the Judgment was to attach.

#### **CONCLUSIONS OF LAW**

- 1. The Association is a "limited purpose association" as referenced in NRS 116.1201(2).
- 2. As a limited purpose association, NRS 116.3117 is not applicable to the Association.
- 3. As a result of the Rosemere LPA Litigation, the Amended CC&Rs were judicially declared to have been improperly adopted and recorded, the Amended CC&Rs are invalid and have no force and effect and were declared void ab initio.
  - 4. The Plaintiffs were not parties to the Rosemere LPA Litigation.
- 5. The Plaintiffs were not "losing parties" in the Rosemere LPA Litigation as per Section 25 of the Original CC&Rs.
- 6. The Final Judgment in favor of the Defendants is not against, and is not an obligation of, the Plaintiffs.
- 7. The Final Judgment against the Association is not an obligation or debt owed by the Plaintiffs.
- 8. The First Abstract of Judgment recorded as Instrument #20160818-0001198 was improperly recorded against the Lamothe Property and constitutes a cloud against the Lamothe Property.

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9.	The	First Al	stract	of Judg	ment reco	orded	as	Instrun	nent	#201	60818-0	0001	198	was
improperly	recorde	d agains	st the	Boulden	Property	and	con	stitutes	a c	loud	against	the	Bou	lden
Property.														

- 10. The Second Abstract of Judgment recorded as Instrument #20160902-0002684 improperly recorded against the Lamothe Property and constitutes a cloud against the Lamothe Property.
- 11. The Third Abstract of Judgment recorded as Instrument #20160902-0002690 was improperly recorded against the Boulden Property and constitutes a cloud against the Boulden Property.
- 12. The Court does not make any findings that the Defendants slandered title to Plaintiffs' properties, and this issue is left to trier of fact.

#### <u>ORDER</u>

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

IT IS HEREBY ORDERED ADJUDGED AND DECREED that Plaintiffs' Motion for Partial Summary Judgment is GRANTED as to Plaintiffs' claims and causes of action for quiet title and declaratory relief, the Second and Third Causes of Action in Plaintiffs' First Amended Complaint.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that Defendants'
Motion for Summary Judgment is DENIED.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants improperly clouded the title to the Boulden Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants improperly clouded the title to the Lamothe Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the First Abstract of Judgment recorded as Instrument #20160818-0001198 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

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IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Second Abstract of Judgment recorded as Instrument #20160902-0002684 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Third Abstract of Judgment recorded as Instrument #20160902-0002690 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

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

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

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are hereby ordered to release the First Abstract of Judgment, the Second Abstract of Judgment, and the Third Abstract of Judgment recorded with the Clark County Recorder within ten (10) days after the date of Notice of Entry of this Order.

DATED this 19th day of July

Submitted by:

FOLEY & OAKES,

Daniel T. Foley, Esq.

20 626 S. 8th St.

Las Vegas, Nevada 89101

21 Attorney for Plaintiffs

Approved to form:

Richard E. Haskin, Esq.

Gibbs Giden Locker Turner Senet & Wittbrodt LLP

1140 N. Town Center Dr., Ste. 300

Las Vegas, Nevada 89144

Attorney for Defendants

# EXHIBIT I

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Electronically Filed 8/11/2017 11:40 AM Steven D. Grierson CLERK OF THE COURT

1 ANAC Richard E. Haskin, Esq. Nevada State Bar # 11592 2 Timothy P. Elson, Esq. Nevada State Bar # 11559 3 GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP 4 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144-0596 5 (702) 836-9800 б Attorneys for Defendants 7 TRUDI LEE LYTLE, JOHN ALLEN LYTLE,

& THE LYTLE TRUST

#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST

Plaintiff,
v.

TRUDI LEE LYTLE, JOHN ALLEN LYTLE,

TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST, DOES I through X, inclusive, and ROE CORPORATIONS I through X,

Defendants.

TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST,

Counter-Claimants,

П

LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST, ROBERT Z. DISMAN, YVONNE A. DISMAN, and ROES 1 through 10, inclusive,

26 Counter-Defendants.

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Case No.: A-16-747800-C Dept.: XVI

DEFENDANTS TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, TRUSTEES OF THE LYTLE TRUST'S ANSWER TO PLAINTIFFS' SECOND AMENDED COMPLAINT AND COUNTERCLAIM

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COMES NOW Defendants TRUDI LEE LYTLE and JOHN ALLEN LYTLE, Trustees of THE LYTLE TRUST ("Defendants" and/or the "Lytles"), by and through their counsel of record, Richard E. Haskin, Esq., of the law firm of GIBBS, GIDEN, LOCHER, TURNER, SENET & WITTBRODT, LLP, and hereby answers Plaintiffs MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDENR TRUST, LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST's (collectively "Plaintiffs") Second Amended Complaint as follows:

- As to Paragraphs 1 through 3 of the Second Amended Complaint, Defendants admit 1. the allegations set forth in said Paragraphs.
- As to Paragraphs 4 through 5 of the Second Amended Complaint, Defendants are 2. without knowledge or information sufficient to admit or deny the allegations contained therein. Said Paragraphs also contain legal conclusions rather than facts that need to be admitted or denied. Defendants deny the same on that basis.
- As to Paragraph 6 of the Second Amended Complaint, Defendants admit the 3. allegations set forth in said Paragraph.
- As to Paragraph 7 of the Second Amended Complaint, Defendants admit that 4. Rosemere Estates Property Owners Association, a Nevada non-profit corporation ("Rosemere"), is a Limited Purpose Association governed by Chapter 116 of the Nevada Revised Statutes. As to the remaining allegations, said Paragraph also contains legal conclusions rather than facts that need admitted or denied. Defendants deny the same on that basis, as well as the content of such allegation should such a denial be necessary.
  - Defendants deny the allegations in Paragraph 8 of the Second Amended Complaint. 5.
- As to Paragraphs 9 of the Second Amended Complaint, Defendants admit that 6. paragraph 24 of the CC&Rs speaks for itself.
- As to Paragraphs 10 through 14 of the Second Amended Complaint, Defendants 7. admit the allegations set forth in said Paragraphs.

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- 8. As to Paragraph 15 of the Second Amended Complaint, Defendants admit that the Bouldens and the Lamothes were not parties to the aforementioned lawsuit. However, Defendants deny the allegation that the property of the Bouldens and Lamothes described in the Second Amended Complaint is not subject to the judgment described in the Second Amended Complaint. As to the remaining allegations, said Paragraph also contains legal conclusions rather than facts that need to be admitted or denied. Defendants deny the same on that basis, as well as the content of such allegation should such a denial be necessary.
- 9. Defendants deny the allegations in Paragraphs 16 through 18 of the Second Amended Complaint. Furthermore, said Paragraphs also contain legal conclusions rather than facts that need to be admitted or denied. Defendants deny the same on that basis.
- 10. As to Paragraphs 19 and 20 of the Second Amended Complaint, Defendants are without knowledge or information sufficient to admit or deny the allegations contained therein.
- 11. As to Paragraphs 21 and 22 of the Second Amended Complaint, Defendants admit the allegations contained therein.
- 12. As to Paragraph 23. Defendants admit that Plaintiffs were not parties in the Rosemere II litigation; however, Defendants deny that Plaintiffs did not have notice of the same. Plaintiffs regularly attended Board meetings for the Association during which all litigation by and against Defendants were discussed, and Plaintiffs routinely contributed assessments to fund such litigation.
- 13. As to Paragraph 24 of the Second Amended Complaint, Defendants admit the allegations contained therein.

### FIRST CAUSE OF ACTION

#### (Slander of Title, Mrs. Boulden)

- 14. Defendants repeat herein by this reference Paragraphs 1 through 13, inclusive, with the same force and effect as if said Paragraphs were set forth herein in full.
- 15. As to Paragraph 25 of the Second Amended Complaint, Defendants deny the allegations contained therein. Furthermore, said Paragraph also contains legal conclusions rather than facts that need to be admitted or denied. Defendants deny the same on that basis.

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As to Paragraphs 26 through 31 of the Second Amended Complaint, Defendants are 16. without knowledge or information sufficient to admit or deny the allegations contained therein. Said Paragraphs also contain legal conclusions rather than facts that need to be admitted or denied. Defendants deny the same on that basis.

#### SECOND CAUSE OF ACTION

#### (Injunction, All Plaintiffs)

- Defendants repeat herein by this reference Paragraphs 1 through 16, inclusive, with 17. the same force and effect as if said Paragraphs were set forth herein in full.
  - Defendants deny the allegations in Paragraph 33 of the Second Amended Complaint. 18.
- As to Paragraphs 34 through 38 of the Second Amended Complaint, Defendants are 19. without knowledge or information sufficient to admit or deny the allegations contained therein. Said Paragraphs also contain legal conclusions rather than facts that need to be admitted or denied. Defendants deny the same on that basis.

#### THIRD CAUSE OF ACTION

#### (Quiet Title, All Plaintiffs)

- Defendants repeat herein by this reference Paragraphs 1 through 19, inclusive, with 20. the same force and effect as if said Paragraphs were set forth herein in full.
- As to Paragraph 40 of the Complaint, Defendants admit the allegations contained 21. therein.
- As to Paragraphs 41 through 45 of the Second Amended Complaint, Defendants deny 22. the allegations contained therein. Furthermore, said Paragraphs also contain legal conclusions rather than facts that need admitted or denied. Defendants deny the same on that basis.

#### FOURTH CAUSE OF ACTION

#### (Declaratory Relief, All Plaintiffs)

- Defendants repeat herein by this reference Paragraphs 1 through 22, inclusive, with 23. the same force and effect as if said Paragraphs were set forth herein in full.
- As to Paragraph 47 of the Second Amended Complaint, Defendants admit the 24. allegations contained therein.

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25. As to Paragraphs 48 through 49 of the Second Amended Complaint, Defendants deny that the allegations contained therein.

#### FIFTH CAUSE OF ACTION

#### (Injunction, Rosemere II Judgment)

- 26. Defendants repeat herein by this reference Paragraphs 1 through 25, inclusive, with the same force and effect as if said Paragraphs were set forth herein in full.
- 27. As to Paragraphs 51 through 57 of the Second Amended Complaint, Defendants deny that the allegations contained therein.

#### SIXTH CAUSE OF ACTION

#### (Declaratory Relief)

- 28. Defendants repeat herein by this reference Paragraphs 1 through 27, inclusive, with the same force and effect as if said Paragraphs were set forth herein in full.
- 29. Defendants admit the allegations contained in Paragraph 59 of the Second Amended Complaint.
- 30. 27. As to Paragraphs 60 through 61 of the Second Amended Complaint, Defendants deny that the allegations contained therein.

#### AFFIRMATIVE DEFENSES

For their further and separate affirmative defenses to the Second Amended Complaint filed by Plaintiffs and the claims asserted therein, and without assuming the burden of proof on any matters for which that burden rests with Plaintiffs, Defendants allege as follows:

#### FIRST AFFIRMATIVE DEFENSE

The Complaint fails to state a claim upon which relief can be granted.

#### SECOND AFFIRMATIVE DEFENSE

If Plaintiffs suffered or sustained any loss, injury, damage or other detriment, the same was directly and proximately caused and contributed to by the breach of contract, conduct, acts, omissions, activities, carelessness, recklessness, negligence, and/or intentional misconduct of Plaintiffs or persons or entities under Plaintiffs' control, and thereby completely or partially bars Plaintiffs' recovery herein.

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#### THIRD AFFIRMATIVE DEFENSE

Defendants are not legally responsible for the acts and/or omissions claimed herein.

#### FOURTH AFFIRMATIVE DEFENSE

Plaintiffs failed, refused and neglected to take reasonable steps to mitigate its alleged damages, if any, thus barring or diminishing Plaintiffs' recovery herein.

#### FIFTH AFFIRMATIVE DEFENSE

The injuries and damages of which Plaintiffs complain were proximately caused by, or contributed to, by the acts of other persons and/or other entities, whether now named or otherwise, and that said acts were an intervening and superseding cause of the injuries and damages, if any, of which Plaintiffs complain, thus barring Plaintiffs from any recovery against these Defendants or entitled Defendants to contribution from such parties.

#### SIXTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are reduced, modified, and/or barred by the doctrine of unclean hands.

#### SEVENTH AFFIRMATIVE DEFENSE

Plaintiffs have knowledge of and assumed the risks of their acts or failure to act. The damages alleged by Plaintiffs were caused by, and arose out of, risks which Plaintiffs directly assumed.

#### EIGHTH AFFIRMATIVE DEFENSE

Defendants are informed and believe, and thereon allege, that Plaintiffs waived their claims against these Defendants at issue herein.

#### NINTH AFFIRMATIVE DEFENSE

Plaintiffs would be unjustly enriched if they recovered from Defendants any of the damages alleged in the Complaint.

#### TENTH AFFIRMATIVE DEFENSE

In the event Defendants are found liable in any manner to Plaintiffs, Defendants would be entitled to offsets and credits against any purported damages, if any, allegedly sustained by Plaintiffs.

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#### ELEVENTH AFFIRMATIVE DEFENSE

Defendants allege that Plaintiffs failed to properly confer jurisdiction on this Court on some or all causes of action in its Complaint because Plaintiffs failed to comply with the provisions of Chapter 38 of the Nevada Revised Statutes. Defendants reserve their right to raise this issue at any time, including appeal, as jurisdiction cannot be consented upon this Court by the parties and is never waived.

#### TWELFTH AFFIRMATIVE DEFENSE

Defendants incorporate by reference those affirmative defenses enumerated in NRCP 8 as fully set forth herein. In the event further investigation or discovery reveals the applicability of any such defenses, Defendants reserve the right to seek leave of the court to amend its answer to specifically assert the same. Such defenses are herein incorporated by reference for the specific purpose of not waiving the same.

#### THIRTEENTH AFFIRMATIVE DEFENSE

Pursuant to NRCP 11, as amended, all possible affirmative defenses may not have been stated or alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of Defendants' Answer to the Second Amended Complaint, and therefore, Defendants specifically reserve the right to amend its Answer to allege additional affirmative defenses if subsequent investigation so warrants, up to and including through the time of trial in this matter.

WHEREFORE, Defendants pray for relief as follows:

- 1. That the Second Amended Complaint be dismissed and that Plaintiffs take nothing by way of its Second Amended Complaint;
  - 2. For costs and disbursements in connection with this action;
  - 3. For reasonable attorney's fees, and
  - 4. For such other and further relief that this Court deems just and proper.

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#### COUNTERCLAIM

COMES NOW Defendants and Counter-Claimants TRUDI LEE LYTLE and JOHN ALLEN LYTLE, Trustees of THE LYTLE TRUST (the "Lytles"), by and through their counsel of record, Richard E. Haskin, Esq., of the law firm of GIBBS, GIDEN, LOCHER, TURNER, SENET & WITTBRODT, LLP, and hereby alleges as follows:

#### I. THE PARTIES AND JURISDICTION

1. The Lytle Trust (the "Lytle Trust"), is the current owner of real property located 1930

Rosemere Court, in Clark County, Nevada, APN 163-03-313-009, and described as:

Lot Nine (9) of Rosemere Court, as shown by map thereof on file in Book

59, of Plats, Page 58, in the Office of the County Recorder of Clark

County, Nevada ("Lytle Property").

The Lytle Property was previously owned by Defendants, Counter-Claimants J. Allen Lytle and Trudi L. Lytle, the current Trustees of the Lytle Trust, having been purchased by deed recorded November 15, 1996.

- 2. The Lytles are informed and believe, and thereon allege, that Counter-Defendants Linda Lamothe and Jacques Lamothe, Trustees of the Jacques & Linda Lamothe Living Trust, are the owners of the residential property in Clark County, Nevada known as parcel number 163-03-313-002, and commonly known as 1830 Rosemere Court, Las Vegas, Nevada 89117 ("1830 Rosemere Court").
- 3. The Lytles are informed and believe, and thereon allege, that Plaintiff Marjorie B. Boulden ("Boulden") was formerly the owner of the residential property in Clark County, Nevada known as parcel number 163-03-313-008, and commonly known as 1860 Rosemere Court, Las Vegas, Nevada 89117 ("1960 Rosemere Court"). However, the Lytles are informed and believe, and thereon allege, that on or about August 4, 2017, Boulden sold 1960 Rosemere Court to Counter-Defendants Robert Z. Disman and Yvonne A. Disman, who are now owners of 1960 Rosemere Court. Under NRS 116.4109, Counter-Defendants Robert and Yvonne Disman knew or should have known that the Association had judgments against it and recorded against it that could encumber

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their property prior to their purchase of the property.

The true names and capacities of Counter-Defendants sued herein as ROES 1 through 4. 10, inclusive, and each of them, are presently unknown to the Lytles, and, therefore, they are sued herein under fictitious names, and when the true names are discovered, the Lytles will seek leave to amend this Counterclaim and proceedings herein to substitute the true names of said Counter-Defendants. The Lytles are informed and believe and based thereon allege that each of the foregoing Counter designated herein as a ROE is negligent or responsible in some manner for the events herein referred to.

#### ROSEMERE ESTATES COMMUNITY AND GOVERNING DOCUMENTS П.

- 5. The Original CC&Rs, in the first paragraph, defines Rosemere Estates as "Lots 1 through 9 of Rosemere Court, a subdivision..." The document adds that "it is the desire and intention of the Subdivider to sell the land described above and to impose on it mutual, beneficial, covenants, conditions and restrictions under a general plan or scheme of improvement for the benefit of all of the land described above and the future owners of the lots comprising said land." Thus, the Association includes each and every lot within Rosemere Estates.
- Rosemere Property Owners' Association (the "Association"), at all times herein 6. mentioned is comprised of nine (9) owners of single family lots all as more particularly described in the recorded Declaration of Covenants, Conditions and Restrictions, dated January 4, 1994 (the "Original CC&Rs") for the Association, as recorded in the official records of the Clark County Nevada Recorder's office. A true and correct copy of the Original CC&Rs is attached hereto, and incorporated herein, as Exhibit "1." The Lytles are informed and believe, and based thereon allege, that the Original CC&Rs were recorded on January 4, 1994, before title to any lot within the Association was conveyed by deed, and are referenced in the deeds to all Nine (9) properties located within the Association.
- On February 25, 1997, Plaintiff and Counter-Defendant Linda Lamothe and Plaintiff 7. Marge Boulden, acting on behalf of all owners, filed Non-Profit Articles of Incorporation (the "Articles") pursuant to Nevada Revised Statutes ("NRS") 82, which formalized the property owners' committee and created an association, naming it "Rosemere Estates Property Owners Association."

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- At the July 2, 2007, the Association's Board, the Board presented the homeowners 8. with a binder that contained the following: (1) new Articles of Incorporation, dated July 6, 2007, which articles were never filed although represented to be as set forth herein; (2) a letter from Kearl to the Association members; (3) a Corporate Charter referencing the February 25, 1997 and July 6, 2007 Articles of Incorporation; (4) a section entitled "Governing Documents" referencing the July 6, 2007 Articles of Incorporation; (5) the "First Statutorily Mandated Amendment to the Bylaws of the Rosemere Estates Homeowners Association," and (5) the proposed Amended and Restated Covenants, Conditions and Restrictions ("Amended CC&Rs").
- The proposed Amended CC&Rs were far more restrictive than the Original CC&Rs 9, and changed the very nature of property ownership within Rosemere Estates. The Amended CC&Rs contained numerous use restrictions including a section entitled "Restrictions on Use, Alienation, and Occupancy," pet restrictions, lease restrictions, the establishment of a Design Review Committee with unfettered discretion, and a new and expansive definition of "nuisance." Further, the Amended CC&Rs made the Association a full blown unit owners' association, subject to the entirety of Chapter 116.
- The proposed amended CC&Rs were not agreed to by all owners at the July 2, 2007 10. meeting, in fact less than 67% thereof, with at least 3 owners specifically objecting to the proposed changes and refusing to sign the approval.
- Despite the failure to obtain the required unanimous approval for changing the 11. CC&Rs, the Association proceeded, on July 3, 2007, to record in the office of the Recorder for Clark County, Nevada, the Amended CC&Rs.
- The Lytles immediately contested and continued to contest the Amended CC&Rs and 12. its unlawful adoption.

#### III. THE UNDERLYING LITIGATION

After proceeding through two separate mandatory arbitrations via NRS 38.383 in 13. 2009 and 2010, one which contested the validity of the Amended CC&Rs and a second which contested the validity of liens placed against the Lytle Property by the Association due to the Lytles refusing to pay assessments levied against their property to fund litigation against them, the Lytles

filed two lawsuits in Nevada District Court. Pursuant to the Amended CC&Rs, which was the governing document at the time and at all times during the underlying litigation, the Lytles were required to file their claims against the Association, not against the any of the individual owners.

#### A. NREDILITIGATION

- 14. The first lawsuit commenced by the Lytles, case number A-09-593497-C which was assigned to Judge Michelle Leavitt in Department XII, contested the validity of the Amended CC&Rs and sought to overturn the Amended CC&Rs ("NRED I Litigation"). The Lytles ultimately prevailed, entirely, in the litigation, and the Court granted the Lytles summary judgment on July 29, 2013. The matter was appealed, and the Nevada Supreme Court affirmed the District Court's Order granting the Lytles summary judgment. The Supreme Court remanded the case to the District Court for redetermination of costs, attorneys' fees and damages on October 19, 2015.
- 15. On May 25, 2016, the Court awarded the Lytles \$297,072.66 in attorneys' fees pursuant to the Original CC&Rs and the Amended CC&Rs, which the Court declared as the governing documents during the entirety of the litigation.
- 16. On June 17, 2016, the Court awarded the Lytles damages in the NRED I Litigation, after a prove-up hearing, in the amount of \$63,566.93.
- 17. Finally, on July 22, 2016, the Court in the NRED I Litigation awarded the Lytles costs in the amount of \$599.00.
- 18. On September 2, 2016, the Lytles recorded Abstracts of Judgment from the NRED I Litigation against each property within the Association pursuant to the law set forth herein.

#### B. NRED II LITIGATION

- 19. On December 13, 2010, the Lytles filed a second lawsuit against the Association seeking to release and expunge three (3) unlawfully recorded liens, which were recorded by the Association against the Lytle Property in 2009 and 2010. This second lawsuit bore case number A-10-631355-C and was assigned to Department 32, Judge Robert Bare (the "NRED II Litigation").
- 20. Distinct from the NRED I Litigation, in the NRED II Litigation, both the Lytles and the Association stipulated to the underlying fact that the Amended CC&Rs were the controlling governing documents for the Association in the NRED II Litigation.

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- On November 14, 2011, the Court granted the Association's Motion for Summary 21. Judgment against the Lytles in the NRED II Litigation. The Court then granted attorneys' fees to the Association pursuant to the Amended CC&Rs and NRS 116.4117. The Lytles appeals the Court's rulings in the NRED II Litigation.
- On December 21, 2015, the Nevada Supreme Court vacated the Order Granting 22. Summary Judgment in the NRED II Litigation and remanded the NRED II Litigation back to Department 32 for determination. The Supreme Court also vacated the order awarding attorneys' fees, costs, and damages to the Association.
- On November 10, 2016, the Court in the NRED II Litigation granted the Lytles' 23. Motion for Summary Judgment and entered an Order thereon, finding in favor of the Lytles as to all causes of action.
- On April 14, 2017, the Court in the NRED II Litigation awarded the Lytles' 24. attorneys' fees in the amount of \$274,608.28 pursuant to the Original CC&Rs, the Amended CC&Rs and NRS 116.4117, finding that the Amended CC&Rs controlled the remedies provided in the action. The Court also awarded costs in the amount of \$4,725.00.
- Finally, on May 11, 2017, after a prove-up hearing, the Court in the NRED II 25. Litigation awarded the Lytles punitive damages in the amount of \$823,824.84, pursuant to NRS 42.005.
- On July 20, 2017, the Court in the NRED II Litigation issued an Abstract of 26. Judgment in the amount of \$1,103,158.12, which has been recorded against the Association but none of the individual lots or properties within the Association.

#### FIRST CAUSE OF ACTION

(For Declaratory Relief Against Counter-Defendants Jacques and Linda Lamouthe, Third-Party Defendants Robert Disman and Yvonne Disman, and ROES 1 through 10, Inclusive)

The Lytles incorporate the allegations contained in Paragraphs 1 through 26 herein as 27. though set forth in full.

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- 28. There exists a controversy between the Lytles and Counter-Defendants and Third Party Defendants regarding the interpretation, application and enforcement of NRS, Chapter 116 as well as the application of the Original CC&Rs and Amended CC&Rs to the controversy at hand, requiring a determination by this Court and entry of declaratory relief.
  - 29. Specifically, the Lytles contend as follows:
    - a. Pursuant to the Original CC&Rs, a lien or judgment against the Association established under the Original CC&Rs attaches to each lot within the Association.
    - b. Pursuant to the Amended CC&Rs, which were in force at all times from 2007 through July 29, 2013, a lien or judgment against the Association established under the Amended CC&Rs attaches to each lot within the Association.
    - c. Pursuant to NRS, Chapter 116, the Uniform Common Interest Development Act, a lien or judgment against the Association attaches to each lot within the Association, even if the Association is a limited purpose association, because under NRS 116.021, each common interest community consists of all "real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance or improvement of, or services or other expenses related to, common elements, other units or other real estate described in that declaration." Further under NRS 116.093, each "unit" is defined as the "physical portion of the common-interest community designated for separate ownership or occupancy..." Thus, the association, or common interest community, includes each and every unit in the community, including those owned by third parties.
    - d. Pursuant to NRS 116.3117, which governed the Association and all owners during the underlying litigation, a judgment against the Association is a lien in favor of the Lytles against all of the real property within the Association and all of the units therein, including Counter-Defendants' properties. The Association and its membership are not entitled to use Chapter 116 and all of its provisions as a sword during the litigation against the Lytles, e.g. to record multiple liens totaling

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\$209,883.19 against the Lytles and attempt foreclosure against the Lytle Property forcing the Lytles to procure a \$123,000.00 cash bond to prevent such foreclosure, and then a shield to defend against the Lytles after they prevailed in that litigation and the Association was declared a *limited purpose association*.

- 30. The Lytles desire a judicial determination of the parties' rights and duties and a declaration the a lien against the Association, specifically the Abstract of Judgment issued in the NRED II Litigation, can be recorded against 1830 Rosemere Court and 1960 Rosemere Court.
- 31. A judicial declaration is necessary and appropriate at this time so that the parties may ascertain their rights and duties because the Lytles wish to record the Abstract of Judgment in the NRED II Litigation against 1830 Rosemere Court and 1960 Rosemere Court to enforce their rights as creditors against the Association.

WHEREFORE, Defendants and Counter-Claimants pray for relief as follows:

- 1. That the Second Amended Complaint be dismissed and that Plaintiffs take nothing by way of its Second Amended Complaint;
- 2. That the Court enter a Declaratory Judgment in favor of the Lytles and against the Counter-Defendants and Third Party Defendants, finding and declaring that the Lytles are entitled to record a lien and/or Abstract of Judgment obtained in the NRED II Litigation against 1830 Rosemere Court and 1960 Rosemere Court in order to enforce the Lytles' rights as creditors against the Association.
- 3. For an injunction preventing any Counter-Defendant or Third Party Defendant from selling either 1830 Rosemere Court and 1960 Rosemere Court until this Court has entered a Declaratory Judgment;
  - 4. For costs and disbursements in connection with this action;
  - 5. For reasonable attorney's fees, and

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For such other and further relief that this Court deems just and proper. 6. DATED: August 11, 2017 GIBBS GIDEN LOCHER TURNER SENET & WITTBRODTLLF By: Richard E. Haskin, Esq.
Neyada State Bar # 11592
Timothy F. Elson, Esq.
Neyada State Bar # 11559
1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144
Attorneys for Defendants
TRUDI LEE LYTLE, JOHN ALLEN LYTLE, & THE LYTLE TRUST

### CERTIFICATE OF MAILING

The undersigned, an employee of the law firm of GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP, hereby certifies that on August 11, 2017, she served a copy of the foregoing DEFENDANTS TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, TRUSTEES OF THE LYTLE TRUST'S ANSWER TO PLAINTIFFS' SECOND AMENDED COMPLAINT AND COUNTERCLAIM; by electronic service through the Regional Justice Center for Clark

County, Nevada's ECF System:

Daniel T. Foley, ESQ. FOLEY & OAKS, PC 626 S. 8<sup>th</sup> Street Las Vegas, Nevada 89101

Attorney for Plaintiff's

(702) 384-2070 Tel: (702) 384-2128 Email: dan@folevoakes.com

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Senet & Wittbrodt LLP

# EXHIBIT J

**Electronically Filed** 7/26/2018 4:26 PM Steven D. Grierson CLERK OF THE COURT OPPC 1 Richard E. Haskin, Esq. Nevada State Bar # 11592 GIBBS GIDEN LOCHER TURNER 2 SENET & WITTBRODT LLP 3 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144-0596 4 (702) 836-9800 5 Attorneys for Defendant TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE 6 TRUST 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 A-16-747800-C Case No.: MARJORIE B. BOULDEN, TRUSTEE OF THE Dept.: XVIII MARJORIE B. BOULDEN TRUST, LINDA 11 LAMOTHE AND JACQUES LAMOTHE, DEFENDANTS TRUDI LEE LYTLE, TRUSTEES OF THE JACQUES & LINDA 12 JOHN ALLEN LYTLE, THE LYTLE LAMOTHE LIVING TRUST TRUST OPPOSITION TO MOTION FOR 13 SUMMARY JUDGMENT, OR, IN THE Plaintiff, ALTERNATIVE, MOTION FOR 14 JUDGMENT ON THE PLEADINGS 15 TRUDI LEE LYTLE, JOHN ALLEN LYTLE, Date: July 31, 2018 THE LYTLE TRUST, DOES I through X, Time: 9:00 a.m. inclusive, and ROE CORPORATIONS I through 16 Χ, 17 Defendants. 18 19 TRUDI LEE LYTLE, JOHN ALLEN LYTLE, 20 THE LYTLE TRUST, 21 Counter-Claimants, 22 LINDA LAMOTHE AND JACQUES LAMOTHE, 23 TRUSTEES OF THE JACQUES & LINDA

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LAMOTHE LIVING TRUST, ROBERT Z. DISMAN, 4ND ROES 1

Counter-Defendants.

through 10, inclusive,

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COMES NOW Defendants TRUDI LEE LYTLE, JOHN ALLEN LYTLE, and THE LYTLE TRUST (the "Lytles"), by and through their counsel of record, Richard E. Haskin, Esq., and Timothy Elson, Esq., of the law firm of GIBBS, GIDEN, LOCHER, TURNER, SENET & WITTBRODT, LLP, and hereby files the Lytles' Opposition to ROBERT Z. DISMAN and YVONNE A. DISMAN's (the "Dismans") Motion for Summary Judgment, or, in the Alternative, Motion for Judgment on the Pleadings, and Countermotion for Summary Judgment.

### MEMORANDUM OF POINTS AND AUTHORITIES

#### I. INTRODUCTION

The Dismans lack any standing to bring the instant Motion for Summary Judgment. There is but a single claim by and between the Lytles and the Dismans, and that claim already was adjudicated by Judge Timothy Williams. The matter is now on appeal before the Nevada Supreme Court, and the matter has been fully briefed by the parties, including the Dismans.

The only cause of action between the Lytles and Dismans is a single cause of action by the Lytles for declaratory relief. Specifically, the Lytles sought a declaration from the Court that the Lytles could lawfully record an Abstract of Judgment recorded against the Dismans' property. 1 See Answer to Second Amended Complaint and Counterclaim, ¶¶ 30, 31, Exhibit W. The claim was fully adjudicated by Judge Williams in this very matter on July 25, 2017, when Judge Williams found that the Abstract of Judgment recorded on the Dismans' property clouded title. Judge Williams quieted title to the property, expunged the Abstract of Judgment, and issued an injunction preventing the Lytles from further clouding title to the Dismans' property.2

The Lytles then appealed that decision, and the appeal is fully briefed and awaiting disposition before the Nevada Supreme Court. The Dismans are parties to the appeal and submitted briefing on the issues. There is simply nothing for this Court now to consider as all claims between these parties already were adjudicated.

<sup>&</sup>lt;sup>1</sup> The Dismans are the present owners of the property formerly belonging to Plaintiff MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST ("Boulden"). The Lytles added the Dismans as a necessary party in this action once Boulden sold the property to the Dismans.

<sup>&</sup>lt;sup>2</sup> In addition to the expungement, the Lytles recorded a Release of Abstract of Judgment.

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The Dismans liken their Motion for Summary Judgment to this Court's recent adjudication related to other parties in this consolidated case. However, those parties brought claims against the Lytles. The Dismans do not assert any claim against the Lytles. Once more, as set forth above, the only claim between the Lytles and the Dismans is pending determination on appeal. Thus, the instant Motion for Summary Judgment is misplaced.

Irrespective of the lack of standing, the Lytles continue to assert they rightfully recorded the Abstracts of Judgment, which have since been released. The Lytles specifically contend that the provisions of common law and Chapter 116 provide the Lytles with such rights, as fully set forth herein and in prior briefing.

#### BRIEF STATEMENT OF MATERIAL AND UNDISPUTED FACTS II.

#### Rosemere Estates A.

On January 4, 1994, Baughman & Turner Pension Trust (the "Developer"), as the subdivider of a cul-de-sac to be made up of nine (9) residential lots on a street known as Rosemere Court in Las Vegas, Nevada, recorded with the Clark County Recorder's Office a Declaration of Covenants, Conditions, and Restrictions ("Original CC&Rs"). Original CC&Rs, Request for Judicial Notice ("RJN"), Exhibit A. The Lytles purchased their property, Lot 163-03-313-009 (the "Lytle Property") on November 6, 1996, from the original buyer who first purchased it from the Developer on August 25, 1995.

#### The Original CC&Rs and Formation of the Association В.

Of note to the instant controversy, the Original CC&Rs, in the first paragraph, defines Rosemere Estates as "Lots 1 through 9 of Rosemere Court, a subdivision..." Original CC&Rs, Exhibit A. The document adds that "it is the desire and intention of the Subdivider to sell the land described above and to impose on it mutual, beneficial, covenants, conditions and restrictions under a general plan or scheme of improvement for the benefit of all of the land described above and the future owners of the lots comprising said land." Id. Thus, the Association includes each and every lot therein.

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Sometime after the Lytles purchased their property, a group of homeowners formed the Association. In 1997, Linda Lamothe and Marge Boulden, two homeowners acting on behalf of all owners, filed Non-Profit Articles of Incorporation (the "Articles") pursuant to Nevada Revised Statutes ("NRS") 82, which formalized the property owners' committee and named it "Rosemere Estates Property Owners Association." Articles of Incorporation, Exhibit B.

#### C, The Amended CC&Rs

Without warning or consult with the homeowners, the Board for the Association, on July 2, 2007, presented the Amended and Restated Covenants, Conditions and Restrictions (the "Amended CC&Rs") to the Association membership. Order Granting Summary Judgment in NRED 1 Litigation, FOF Nos. 23, 24, Exhibit D. The proposed Amended CC&Rs were far more restrictive than the Original CC&Rs and changed the very nature of property ownership within Rosemere Estates. Id. at FOF No. 25. The Amended CC&Rs contained numerous and onerous new use restrictions including the drastic expansion of the powers, rights, and duties of the Association, a section entitled "Restrictions on Use, Alienation, and Occupancy," pet restrictions, parking restrictions, lease restrictions, the establishment of a Design Review Committee with unfettered discretion, and a new and expansive definition of "nuisance." Id. The Amended CC&Rs also contained a morality provision. Id. at FOF Nos. 26. Finally, the Amended CC&Rs contained a construction timeline that would require the Lytles, and only the Lytles, to complete the construction of a custom home on the lot within a mere 60 days of receipt of approval from the proposed Design Review Committee—something never envisioned in the Original CC&Rs and impossible to adhere to. Id. at FOF No. 28. Failure to comply would cost the Lytles \$50.00 per day. Id. at 30. Despite failure to obtain the consent of all homeowners, the Board unilaterally recorded the Amended CC&Rs on July 3, 2007, with the Office of the Recorder for Clark County, Nevada. Id. at FOF Nos. 34, 35, see also Amended CC&Rs, Exhibit B.

Important to the case at hand, the Amended CC&Rs provide as follows:

Section 1.1. "'Act' shall mean and refer to the State of Nevada's version of the Uniform Common-Interest Ownership Act, codified in NRS Chapter 116, as it may be amended from time to time, or any portion thereof."

Section 1.14(e). "...the Property is a common interest community pursuant to the Act."

Section 1.38. "Property' shall refer to the Property as a whole, including the Lots and Common Elements, as restricted by and marketed and sold to third parties in accordance with this Declaration."

Section 1.24. "'Governing Documents includes the Amended CC&Rs.

Article 2: "The Association is charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents."

Section 10.2(c). "An Assessment to pay a judgment against the Association may be made only against the lots in the Property at the time the judgment was entered, in proportion to the respective Liability for Common Expense."

Amended CC&Rs, Exhibit C.

# D. The Association Records Unlawful Liens Under the Amended CC&Rs and Chapter 116 and Initiates Foreclosure Against the Lytles

After the Amended CC&Rs were adopted, at a September 15, 2008 Executive Board meeting of the Association, the Association's membership voted to approve a Board proposal that, first, each member of the Association should be assessed \$10,000.00 "in conjunction with [the Lytles'] actions" in bringing the NRED 1 litigation and in pursuing litigation against Plaintiff for unarticulated and nebulous reasons, and, second, that "the Association should bring foreclosure proceedings against any lots with outstanding assessments due the Association." Order Granting Summary Judgment in NRED 2 Litigation, FOF No. 10, Exhibit L. The Association then initiated non-judicial foreclosure proceedings against the Lytles. *Id.* at FOF Nos. 11, 20. In addition to instituting the non-judicial foreclosure process afforded to it by NRS Chapter 116 and the Amended CC&Rs, the Board recorded additional, unlawful liens without right against the Lytles. *Id.* at FOF Nos. 12 – 18, 22. The total of the three (3) unlawfully recorded liens was \$209,883.19. *Id.* at FOF Nos. 25, 26

#### E. NRED 1 Litigation

In 2007, the Lytles filed an NRS 38.310 mandated non-binding arbitration before the Nevada Real Estate Division ("NRED"), naming the Association as respondent. The Lytles sought a declaration that the Amended CC&Rs were unlawfully adopted, recorded and enforced by the Association against the Lytles.

After the arbitrator found in favor of the Association, the Lytles filed for a trial de novo in this District Court, case number A-09-593497-C, which was assigned to Judge Michelle Leavitt in Department XII. After the matter was initially dismissed, the Lytles appealed to the Supreme Court, prevailed, and the matter was then remanded back to the District Court.

The Lytles ultimately prevailed, entirely, in the litigation, and the Court granted the Lytles summary judgment on July 29, 2013. Order Granting Summary Judgment in NRED 1 Litigation, COL No. 11, Exhibit D. The court made the following pertinent findings:

- The Association was formed by the homeowners on February 25, 1997. Order Granting Summary Judgment in NRED 1 Litigation, COL No. 11, Exhibit D.
- The Association is a limited purpose association as defined by NRS 116.1201. *Id.* at COL Nos. 13, 19.
- The Amended CC&Rs were improperly recorded, were invalid, and the Amended CC&Rs were ordered released. *Id.* at COL Nos. 25, 26.
- From July 3, 2007, through July 29, 2013, the Amended CC&Rs governed the Association and its members. *See generally id.*

The matter was once again appealed, and the Nevada Supreme Court affirmed the district court's Order granting the Lytles summary judgment. The Supreme Court remanded the case to the District Court for redetermination of costs, attorneys' fees and damages on October 19, 2015. Supreme Court Order in NRED 1 Litigation, Exhibit U.

On May 25, 2016, after hearing the Lytles' motion for attorneys' fees, the Court awarded the Lytles \$297,072.66 in attorneys' fees pursuant to the Original CC&Rs, the Amended CC&Rs and NRS 116.4117. Order Awarding Attorneys' Fees in NRED 1 Litigation, Exhibit E.

On June 17, 2016, the Court awarded the Lytles damages, after a prove-up hearing, in the amount of \$63,566.93. Order Awarding Damages in NRED 1 Litigation, Exhibit F. These damages included amounts expended by the Lytles in the design, engineering, and other costs associated with the construction of their home for Rosemere Estates, all of which were now stale and useless.

Finally, on July 22, 2016, the Court awarded the Lytles costs in the amount of \$599.00. Order Awarding Costs in NRED 1 Litigation, Exhibit G. Previously, the Court had awarded

\$1,962.80 in costs.

On September 2, 2016, the Lytles recorded Abstracts of Judgment against each property within the Association pursuant to the law set forth herein. Abstracts of Judgment from NRED 1 Litigation, Exhibit R.

#### F. NRED 2 Litigation

On March 16, 2010, the Lytles initiated another NRS 38.310 mandated non-binding arbitration before NRED, naming the Association as respondent (the "NRED 2 Litigation"). The purpose of the NRED 2 Litigation was to halt non-judicial foreclosure proceedings initiated by the Association against the Lytles pursuant to NRS, Chapter 116 and the Amended CC&Rs. *See* Complaint in NRED 2 Litigation, Exhibit I. The Lytles also sought an order from the Court directing the Association to comply with NRS Chapter 116 and the Amended CC&Rs where the Association had failed to comply, e.g. approval of budgets, conduct of meetings, etc. *Id.* In that arbitration, all parties stipulated that the Amended CC&Rs were valid and enforceable for the purpose of the NRED 2 Litigation. Stipulation, Exhibit H.

After the Association prevailed in the Arbitration (in November 2010), the Lytles promptly and timely filed a lawsuit (for trial de novo) on December 13, 2010. Complaint in NRED 2 Litigation, Exhibit I. The Association filed a counterclaim, seeking to enforce the assessments the Association levied against the Lytles property.

The Lytles included the following language in their Complaint:

Pursuant to a stipulation and/or agreement between the Plaintiff TRUST and the Defendant ASSOCIATION in the NRED action, the parties to the NRED action agreed that the Amended CC and R's and Bylaws of the Defendant ASSOCIATION [were] valid and enforceable only for the purpose of the NRED action and because this is a trial de novo of the NRED action the Plaintiff TRUST once again agrees that for the purpose of this litigation only that the Amended CC and R's and bylaws of the defendant ASSOCIATION are valid and enforceable.

Complaint in NRED 2 Litigation, ¶ 11, Exhibit I.

On November 14, 2011, the Court granted the Association's Motion for Summary Judgment. See Order Granting Summary Judgment in NRED 2 Litigation, Exhibit L. The Court also awarded the Association's Motion for Attorneys' Fees pursuant to NRS Chapter 116 and the Amended

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CC&Rs, with an amount to be determined at a subsequent hearing. Id. The Court then entered two orders granting the Association's attorneys' fees pursuant to NRS 116.4117 and Section 16 of the Amended CC&Rs. Order Granting Assoc. Fees in NRED 2 Litigation, Exhibit J. Thereafter, the Court awarded an additional \$7,068.00 in attorneys' fees to the Association pursuant to NRS 116.4117 and the Amended CC&Rs. See Order Granting Supplement Fees in NRED 2 Litigation, Exhibit K.

On July 16, 2012, the Lytles filed a Notice of Appeal. On December 21, 2015, the Nevada Supreme Court vacated the Order Granting Summary Judgment and remanded this case back to this Court for determination. Specifically, the Supreme Court held that the

> Lytles' actions during the NRED arbitration were sufficient to 'submit' their slander of title claim to the NRED arbitrator for the purposes of NRS 38.330(5). We also conclude that the Lytles did not need to establish that they suffered monetary damages for their remaining claims to be viable.

Supreme Court Order Re: NRED 2 Litigation, Exhibit T. The Supreme Court also vacated the order awarding attorneys' fees, costs, and damages to the Association. Id. In the second footnote of the foregoing Supreme Court Order, and an item of importance to the present case, the Court noted that its ruling was "premised in part on the Lytles' stipulation as to the amended CC&Rs validity." Id.

Upon remand, the case was essentially thrust back to the beginning. On November 14, 2016, the Court granted the Lytles' Motion for Summary Judgment as to each and every cause of action and against the Association's Counterclaim. See Order Granting Summary Judgment in NRED 2 Litigation, Exhibit L. The district court then awarded the Lytles the following: \$274,608.28 in attorneys' fees, \$4,725.00 in costs, and \$823,824.84 in punitive damages pursuant to NRS 42.005. See Order Granting Attorneys' Fees and Costs in NRED 2 Litigation, Exhibit M; see also Order Granting Punitive Damages in NRED 2 Litigation, Exhibit N. Pursuant to the foregoing, the total amount of the judgment against the Association and in favor of the Lytles in the NRED 2 Litigation, including attorneys' fees and costs, is \$1,103,158.12.

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#### **NRED 3 Litigation** G.

On April 2, 2015, the Lytles filed an action against the Association in the Eighth Judicial District, Case No. A-15-716420-C, seeking an order from the Court that the Association hold an election, as it has not held such an election since March 24, 2010, despite the legal obligation to do so. See Complaint in NRED 3 Litigation, Exhibit O. On September 13, 2017, the Court granted the Lytles' Motion for Summary Judgment in the NRED 3 Litigation, and ordered that election take place before a neutral third party. See Order Granting Summary Judgment in NRED 3 Litigation, Exhibit P.

On November 7, 2017, the Court awarded the Lytles \$14,807.50 in attorneys' fees and \$655.10 in costs. Order Granting Attorneys' Fees and Costs in NRED 3 Litigation, Exhibit Q.

All of the foregoing orders in NRED 1, 2 and 3 Litigations are final and not subject to appeal, and all monetary orders are accruing interest.

#### SUMMARY OF RELEVANT PROCEDURE III.

On July 12, 2017, Plaintiffs MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST ("Boulden) and LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST ("Lamothe") filed a Complaint in this matter against the Lytles, alleging causes of action for (1) slander of title, (2) injunctive relief, (3) quiet title, and (4) declaratory relief. The Complaint related to the Abstracts of Judgment obtained in the NRED 1 Litigation by the Lytles and recorded by the Lytles against the Boulden and Lamothe properties, among others. The Lytles answered the Complaint on February 8, 2017.

Thereafter, Boulden and Lamothe filed a Motion for Summary Judgment, which was met by a Countermotion for Summary Judgment by the Lytles. On July 25, 2017, the Court issued an order Granting Motion to Alter or Amend findings of Fact Conclusions of Law, wherein the Court granted partial summary judgment for Boulden and Lamothe as to cloud on title, injunctive and declaratory relief, leaving in place Boulden and Lamothe's claim for slander of title, which has yet to be litigated. Thereafter, pursuant to the Court's order, the Abstracts of Judgment were released by the Lytles as to the Boulden and Lamothe properties.

On July 25, 2017, Boulden and Lamothe filed their Second Amended Complaint against the Lytles, alleging causes of action for (1) slander of title, (2) injunctive relief, (3) quiet title, and (4) declaratory relief. The slander of title remains at issue.

On August 11, 2017, the Lytles filed their Answer to the Second Amended Complaint and Second Amended Counterclaim. Therein, the Lytles named the Dismans as parties to this lawsuit as the new and present owners of Boulden's property. The Lytles allege a single cause of action against the Dismans for declaratory relief. Therein, the Lytles requested that the Court declare the Abstract of Judgment obtained in the NRED 1 Litigation be declared valid against the Disman property. However, the Court already issued an Order declaring said Abstract invalid, and that Abstract was released against the Disman property, formerly the Boulden property. The matter is now on appeal before the Nevada Supreme Court.

The Dismans filed their Answer and Cross-Complaint on September 27, 2017. Therein, the Dismans alleged the following cross-claims against Boulden and Lamothe: (1) breach of warranty, and (2) unjust enrichment. The Dismans did not assert any claims against the Lytles.

There are no claims by and between the Dismans and the Lytles. Specifically, the Dismans did not allege any declaratory relief, quiet title, or slander of title claims against the Lytles that could be adjudicated. The only cause of action between them has been adjudicated and is on appeal.

#### IV. <u>LEGAL ARGUMENT</u>

### A. Summary Judgment Standard

Summary judgment shall be rendered in favor of a moving party if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law. NRCP Rule 56(c). "Summary Judgment is appropriate and shall be rendered forthwith when the pleadings and other evidence on file demonstrate that no 'genuine issue as to any material fact [remains] and that the moving party is entitled to judgment as a matter of law." *Wood v. Safeway*, 121 Nev. Adv. Op. 73, 121 P.3d, 1026, 1029 (2005) (*quoting* NRCP 56(c)). In *Wood*, the Nevada Supreme Court rejected the "slightest doubt" standard from Nevada's prior summary judgment jurisprudence, *Id.* at 1037, and adopted the summary judgment standard which had been

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articulated by the United States Supreme Court in its 1986 Trilogy: Celotex Corp. v. Catrett, 477 U.S. 317 (1986); Anderson v. Liberty Lobby, Inc., 477 U.S. 242 (1986); and Matsushita Electrical Industrial Company v. Zenith Radio Corporation, 475 U.S. 574 (1986). The application of the standard requires the non-moving party to respond to the motion by "Set[ting] forth specific facts demonstrating existence of a genuine issue for trial." Wood, 121 p.3d at 1031. This obligation extends to every element of every claim made, and where there is a failure as to any element of a claim, summary judgment is proper. Barmettler v. Reno Air, Inc., 114 Nevada 441, 447, 956, P2d. 1382, 1386 (1998).

The Nevada Supreme Court held that "Rule 56 should not be regarded as a "disfavored procedural shortcut" but instead as an integral important procedure which is designed "to secure just, speedy and inexpensive determination in every action." Wood, 121, p.3d at 1030 (quoting Celotex, 477 U.S. at 327). In Liberty Lobby, the U.S. Supreme Court noted that:

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

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

#### The Motion For Summary Judgment Should Be Denied Because There Are No В. Claims To Adjudicate

The Lytles allege a single cause of action for declaratory relief as to the Abstract of Judgment obtained in the NRED 1 Litigation against the Dismans, as successors in interest to the Boulden property. The Dismans alleged no claim against the Lytles. The single cause of action alleged against the Dismans already has been decided by Judge Williams, when he found in favor of Boulden, the prior owner, as to the competing declaratory relief causes of action. There simply is no cause of action for which this Court can grant summary judgment. That claim already was decided and is on appeal. That Order specifically states as follows, as it relates to the Disman property: (1) the Lytles clouded title to the property, (2) the Abstract of Judgment is expunged and stricken from the records, (3) the Lytles are permanently enjoined from recording and enforcing the judgment in the NRED 1 Litigation against the Disman property, and (4) the Lytles are permanently enjoined

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from taking any action in the future against the Disman property that is based on the NRED 1 Litigation.

Further, the Lytles did not record any abstracts of judgment related to either the NRED 2 or NRED 3 litigation against the Dismans.

Conversely, the SEPTEMBER TRUST, DATED MARCH 23, 1972; GERRY R. ZOBRIST AND JOLIN G. ZOBRIST, AS TRUSTEES OF THE GERRY R. ZOBRIST AND JOLIN G. ZOBRIST FAMILY TRUST; RAYNALDO G. SANDOVAL AND JULIE MARIE SANDOVAL GEGEN, AS TRUSTEES OF THE RAYNALDO G. AND EVELYN A. SANDOVAL JOINT LIVING AND DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS (the "Consolidated Plaintiffs") alleged causes of action for quiet title and declaratory relief against the Lytles. The Dismans did not allege any causes of action against the Lytles. The Consolidated Plaintiffs claims generally seek two things: first, an expungement of the Abstract of Judgment recorded against their respective properties from the NRED 1 Litigation, and second, an order that no additional abstracts or claims from the NRED 2 and NRED 3 Litigation may be recorded against their respective properties. The Dismans make no such claim against the Lytles. In order for this Motion for Summary Judgment to have any standing, the Dismans would have to assert a cause of action against the Lytles, and as set forth above, no cause of action is even alleged.

Indeed, the Dismans' dispute, as that matter is laid-out in the pleadings, is currently pending before the Nevada Supreme Court.

# C. The District Court's Orders In These Consolidated Cases Are Interlocutory, Not Final, And Not Binding On This Court

The Dismans argue that the Order Granting Partial Summary Judgment and entering an injunction in Case A-16-747800-C, by Judge Timothy C. Williams, and the Court's recent Order Granting Summary Judgment in A-17-765372-C are res judicata and necessarily binding. As an initial matter, and as set forth above, Judge Williams' prior order provides the Dismans with the only relief appropriate. Specifically, Judge Williams already adjudicated the only claim between the Lytles and Dismans. Second, however, that order is not final, rather the orders of the Court are

partial and interlocutory.

The doctrines of res judicata and issue preclusion are "triggered when judgment is entered."

Univ. of Nev. v. Tarkanian, 1110 Nev. 581, 598, 879 P.2d 1180, 1191 (1994). There must be a final determination by a court of competent jurisdiction. Id. An order granting partial summary judgment is not a final order or judgment where issues of damages remain. Mid-Century Ins. Co. v. Pavilkowski, 94 Nev. 162, 576 P.2d 748 (1978), see also Hallicrafters Co. v. Moore, 102 Nev. 526, 528, 728 P.2d 441, 442 (1986). Further, there was no certification by the court that this was a final judgment under NRCP 54(b).

A "final order" resolves all claims against all parties, leaving nothing for further consideration except for post-judgment issues, *i.e.* attorneys' fees. *Lee v. GNLV Corp.*, 116 Nev. 424, 426, 996 P.2d 416, 417 (2000); see also Cox v. Gilcrease Well Corp., 2014 WL 2466229 (2014).

The doctrines of res judicata and issue preclusion are "triggered when judgment is entered." Univ. of Nev. v. Tarkanian, 1110 Nev. 581, 598, 879 P.2d 1180, 1191 (1994). There must be a final determination by a court of competent jurisdiction. Id. An order granting partial summary judgment is not a final order or judgment where issues of damages remain. Mid-Century Ins. Co. v. Pavilkowski, 94 Nev. 162, 576 P.2d 748 (1978), see also Hallicrafters Co. v. Moore, 102 Nev. 526, 528, 728 P.2d 441, 442 (1986). Further, there was no certification by the court that this was a final judgment under NRCP 54(b). The Order Granting Partial Summary Judgment from Judge Williams is not a final order as claims remain in that case. See generally Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law, Exhibit V.

The law-of-the-case doctrine "refers to a family of rules embodying the general concept that a court involved in later phases of a lawsuit should not re-open questions decided (i.e., established as law of the case) by that court or a higher one in earlier phases." *Crocker v. Piedmont Aviation, Inc.*, 49 F.3d 735, 739 (D.C.Cir.1995). "Normally, 'for the law-of-the-case doctrine to apply, the appellate court must actually address and decide the issue explicitly or by necessary implication." [Emphasis added] *Reconstruct Co. v Zhang*, 317 P.3d 814, 818 (2014) (quoting *Dictor v. Creative Mgmt. Servs., L.L.C.*, 126 Nev. ———, 223 P.3d 332, 334 (2010)), see also Dictor v. Creative

Management Services, LLC, 126 Nev. 41, 44-46, 223 P.2d 332, 335 (2010) (holding that in order for the law-of-the-case doctrine to apply, the appellate court must specifically and actually address and decide the issue). A trial court's ruling does not constitute law of the case. Byford v. State 116 Nev. 215, 232, 994 P.2d 700, 711-12 (2000). The issue must be adjudicated on appeal. Id. These Court's two orders granting motions for summary judgment are both on appeal and, therefore, and not law of the case.

## D. The Distinction Between The Various NRED Litigation

There is a key distinction between the various underlying litigation between the Lytles and the Association that cannot be ignored - in the NRED 2 Litigation, the Lytles and the Association stipulated that the Amended CC&Rs were valid and enforceable. *See* Stipulation, Exhibit H, *see also* Complaint in NRED 2 Litigation, ¶11, Exhibit I. Thus, in issuing an order in the NRED 2 appeal that was seemingly inconsistent with its affirmation of the district court's order in the NRED 1 Litigation declaring the Amended CC&Rs *void ab initio*, the Nevada Supreme Court explained the parties' stipulation to the Amended CC&Rs as binding and authoritative. Supreme Court Order Re: NRED 2 Litigation, Fn. 2, Exhibit U.

The distinction provides a qualitative difference in facts. Specifically, there is no declaration that the Amended CC&Rs were *void ab initio* in NRED 2 Litigation. Indeed, for the purposes of that litigation only, the Amended CC&Rs unquestionably define the rights, liabilities and obligations of the parties. The Lytles obtained a judgment in the NRED 2 Litigation in the total amount of \$1,103,158.12, which amount was awarded pursuant to the Amended CC&Rs and NRS, Chapter 116.

While the Lytles contend, as set forth herein, that all the rights provided to creditors of the Association under the Amended CC&Rs and NRS 116.3117 apply in each of the NRED Litigation matters, the stipulation in the NRED 2 Litigation alleviates any argument to the contrary.

# E. NRS 116.3117 Provides That Lytles Can Record Abstracts Of Judgment Against the Disman Property Within The Association

The Lytles are within their rights, as judgment creditors of the Association, to record a lien against each unit within the Association because (1) NRS 116.3117 provides this specific right to

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judgment creditors of a unit owners' association, (2) the Lytles may invoke all of the rights set forth in the entirety of Chapter 116 because the Association invoked such rights during the underlying litigation (and prior thereto), (3) Chapter 116's statutory mechanism provides such rights to the Lytles as judgment creditors against the Association, and (4) in the case of the NRED 2 Litigation, all parties stipulated that the Amended CC&Rs governed and were valid and enforceable.

#### NRS 116.3117 Permits a Judgment Creditor to Record a Lien Against All 1. Units Within an Association

When a statute is facially clear, the Court should give effect to the statute's plain meaning. D.R. Horton, Inc. v. Eighth Judicial Dist. Court (First Light I), 123 Nev. 468, 476, 168 P.3d 731, 737 (2007). "[W]hen a term is defined in NRS Chapter 116, the statutory definition controls and any definition that conflicts will not be enforced." Boulder Oaks Cmty. Ass'n v. B & J Andrews Enters., LLC, 125 Nev. 397, 406, 215 P.3d 27, 32 (2009). Further, NRS 116.003 states that "the words and terms defined in NRS 116.005 to 116.095, inclusive, have the meanings ascribed to them in those sections." Id.

NRS 116.3117 provides, in pertinent part:

In a condominium or planned community:

(a) Except as otherwise provided in paragraph (b), a judgment for money against the association, if a copy of the docket or an abstract or copy of the judgment is recorded, is not a lien on the common elements, but is a lien in favor of the judgment lienholder against all of the other real property of the association and all of the units in the common-interest community at the time the judgment was entered. No other property of a unit's owner is subject to the claims of creditors of the association.

[Emphasis added.] Quite succinctly, Nevada's Common-Interest Ownership Act, set forth in Chapter 116, provides a judgment creditor has a lien "against all of the units in the common-interest community at the time the judgment was entered." NRS 116.3117(1)(a).

The comments to Section 3-117 of the Uniform Common Interest Ownership Act (1982) the uniform act upon which NRS Chapter 116 is based — reinforce that which is already clear from the plain language of the statute: "the Act makes the judgment lien a direct lien against each individual unit . . ." See UCIOA § 3-117, cmt. 2, see also, e.g., Ensberg v. Nelson, 320 P.3d 97, 102 (Wash. Ct. App. 2013) ("[B]y statute, a condominium association is a lien in favor of the judgment

lienholder against all of the units in the condominium."); Summit House Condominium v. Com., 523 A.2d 333, 336 (Pa. 1987) ("[A] judgment against the Council would have constituted a lien against each individual condominium unit owner."); Interlaken Service Corp. v. Interlaken Condominium Ass'n, Inc., 588 N.W.2d 262, 266 (Wisc. 1998) ("[A]ny money judgment obtained by [the plaintiff as against the association] would result in a lien against each of the condominium units.").

The purpose of the statute, however, is not to provide a remedy to creditors. This remedy exists regardless of this subsection (as explained below). Rather, it protects unit owners within an association and limits the extent to which a creditor can collect on a judgment against an association as to each unit owner. NRS 116.3117 provides that a creditor must first collect against any security interest the creditor may have in common elements before pursuing units. NRS 116.3117(1)(b).

# 2. The Association is Afforded All Rights and Remedies of NRS, Chapter 116, Because Prior to Final Determination in the NRED Litigation, the Association Enjoyed Such Benefits to the Detriment of Defendants

For a myriad of reasons set forth herein, NRS 116.3117 applies in this case and affords the Lytles the right to lien the Dismans' property and all properties within the Association.

# a. <u>Background on the Different Types of Common Interest</u> <u>Communities</u>

The term "homeowners' association" is often misused and, indeed, in the State of Nevada has no true statutory definition. Rather, a "homeowners' association" is more of an informal, catch-all term for all types of common interest communities.

Chapter 116 applies to all types of governing bodies of residential common interest communities created in Nevada. NRS 116.1201. A "common-interest community" is defined as "real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance or improvement of, or services or other expenses related to, common elements, other units or other real estate described in that declaration." NRS 116.021. Some of the types of common interest communities include: (1) unit owners' association, (2) limited purpose associations (NRS 116.1201(2)(a)), (3) small planned communities (NRS 116.1203), (4) nonresidential planned

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communities (NRS 116.1201(2)(b)), (5) time shares (NRS 116.1201(2)(e)), and condominiums (NRS 116.027).

Chapter 116 applies to "all common interest communities" created within Nevada, with defined limitations for limited purpose associations, small planned communities, and nonresidential planned communities, NRS 116.1201.

## From July 3, 2007 Through July 29, 2013, the Association Was a b. Unit Owners' Association, for Which the Entirety of NRS, Chapter 116 Applied

While the district court in the NRED 1 Litigation held that the Association was a limited purpose association, the district court in that case found that the Amended CC&Rs were recorded on July 3, 2007, in the office of the Recorder for Clark County, Nevada, and from July 3, 2007, through July 29, 2013, when the court granted the Lytles summary judgment in that case, the Association was a full-blown unit owners' association, subject to and taking advantages of all rights, privileges and remedies afforded by the entirety of Chapter 116, including the right to assess and initiate Chapter 116 foreclosure proceedings for failure to pay assessments, which is exactly what the Association did to the Lytles. See generally Order Granting Summary Judgment in NRED 1 Litigation, Exhibit D. Further, in the NRED 2 Litigation, the parties stipulated to the enforceability of the Amended CC&Rs. See Complaint in NRED 2 Litigation, Exhibit I; see also Stipulation, Exhibit H.

The Amended CC&Rs adopt Chapter 116 of the Nevada Revised Statutes. Amended CC&Rs, at Article I, Exhibit C. The Amended CC&Rs define the Association pursuant to the Uniform Common-Interest Ownership Act. Id. at 1.1. The Amended CC&Rs routinely reference Chapter 116 of the Nevada Revised Statutes. See, e.g., id. at 1.13, 1.14, 1.30, 8.1, 10.3 (referring to the lien statutes codified in Chapter 116). Finally, the Amended CC&Rs prescribe a remedy equal to NRS 116.3117 within Section 10.2, specifically, that any judgment against the Association is a judgment against each unit within the Association on a pro rata basis. Amended CC&Rs, § 10.2(e).

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In the NRED 2 Litigation, the Lytles and the Association stipulated that Amended CC&Rs were valid and enforceable. Stipulation, <u>Exhibit H</u>, see also Complaint in NRED 2 Litigation, Exhibit I.

In granting the Lytles' Motion for Attorneys' Fees in the NRED 1 Litigation, the court cited *Mackintosh*, 113 Nev. at 405-406, 935 P.2d at 1162, and held that the Lytles could recover attorneys' fees under the Amended CC&Rs because that document, while declared *void ab initio* by the district court, was in effect and enforced by the Association against the Lytles at all times during the underlying litigation. *See generally*, Order Granting Attorneys' Fees in NRED 1 Litigation, Exhibit E.

In *Mackintosh*, *supra*, the purchasers of real property sued a savings and loan association for rescission of a residential property purchase agreement. *Mackintosh*, 113 Nev. at 396-397, 935 P.2d at 1157. The Supreme Court upheld a district court's granting of summary judgment and determination that the purchasers had rescinded the purchase agreement. *Id.* 113 Nev. at 405-406, 935 P.2d at 1162. However, the Supreme Court held the district court improperly denied the purchasers' request for attorneys' fees, which request was based on the attorney fee provision in the rescinded agreement. *Id.* The district court, in denying attorneys' fees stated that the rescinded agreement was "void from its date of inception, just as if the contract had never existed." *Id.* The Supreme Court disagreed and cited a Florida Supreme Court case, *Katz v. Van Der Noord*, 546 So.2d 1047 (Fla. 1989), which held:

We hold that when parties enter into a contract and litigation later ensues over that contract, attorney's fees may be recovered under a prevailing-party attorney's fee provision contained therein even though the contract is rescinded or held to be unenforceable. The legal fictions which accompany a judgment of rescission do not change the fact that a contract did exist. It would be unjust to preclude the prevailing party to the dispute over the contract which led to its rescission from recovering the very attorney's fees which were contemplated by that contract.

Id. at 1049.

Similarly, in the present case, the "legal fictions" that accompany the court's determination in the NRED 1 Litigation that the Amended CC&Rs were *void ab initio* cannot change the fact that they did, indeed, exist from July 3, 2007, through July 29, 2013, and were enforced against the

Lytles. Once more, in the NRED 2 Litigation, the parties stipulated that the Amended CC&Rs were valid and enforceable, so the "legal fiction" did not even exist, rather enforceability was actual.

The foregoing is akin to the evidentiary "sword and shield" doctrine. Therein, it is held that a party may not use a privilege as both a sword to assert a claim and a shield to protect the content related to the claim. *Molina v. State* 120 Nev. 185, 194, 87 P.3d 533, 539 (2004). A party attempting to enforce a contract against another cannot argue that a court's determination that it was void shields the party from the provisions that would be detrimental, *e.g.* an attorneys' fee provision. Or, in the present case, members of the Association should not be permitted to shield themselves from certain provisions of Chapter 116, namely NRS 116.3117, once the court in the NRED 1 Litigation declared the Amended CC&Rs void after years of those same Amended CC&Rs being recorded and enforced against the Lytles. In fact, the Amended CC&Rs' restrictions were so severe that they prevented the Lytles from building their dream home in the Rosemere Estates community and thrust the Lytles into years of litigation that exhausted the Lytles' retirement savings and created emotional turmoil. Order Granting Summary Judgment in NRED 1 Litigation, FOF Nos. 25 – 31, Exhibit D. Indeed, the Lytles, as the only undeveloped lot, were the only targets of the Amended CC&Rs and the prohibitive building restrictions. *Id*.

There are other instances during which the Association took clear advantage of the entirety of Chapter 116 during this operative time period despite a subsequent finding that the Association is a limited purpose association and the Amended CC&Rs are void. For example, the Association filed a countersuit against the Lytles in the NRED 2 Litigation, something a limited purpose association is not permitted to do. NAC 116.090(1)(c)(1), (prohibiting a limited purpose association from enforcing restrictions against unit owners). The Association moved to dismiss and had the Complaint dismissed in the NRED 1 Litigation, purportedly as a result of a failure to timely file under Chapter 38, which does not apply to limited purpose associations. The Association was initially awarded attorneys' fee in the NRED 2 Litigation pursuant to the Amended CC&Rs and provisions of Chapter 116. See Order Awarding Attorneys' Fees in NRED 2 Litigation, Exhibit J; see also Supplemental Order Awarding Attorneys' Fees in NRED 2 Litigation, Exhibit K.

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The Lytles obtained judgments against the Association due to the Association's actions taken in order to both defend and impose its position as a unit owners' association. During the entire pendency of the NRED Litigation (and indeed well before), the Association operated pursuant to the statutory luxuries afforded to it as a litigant by NRS Chapter 116. And had the Association, and not the Lytles, prevailed in the NRED Litigation, the Association would enjoy all of the benefits as a judgment creditor against the Lytles, including the right to lien the Lytles' property and foreclose thereon.

With the utmost respect and deference to this court, the ruling in the instant case thus far provides the Association (and the members) with forgiveness to utilize NRS Chapter 116 and the Amended CC&Rs as swords to impose the Association's will during the NRED Litigation and prior thereto, but as shields from liability and collection once the Association's position was declared invalid. The public policy underlying Mackintosh and its progeny is that such two-faced positions cannot stand the test of equities.

#### NRS 116.3117 Applies To Limited Purpose Associations c.

As set forth in Chapter 116 and explained above, the Association is a common interest community consisting of nine (9) units, as that term is defined by Chapter 116, and organized as a limited purpose association. Order Granting Summary Judgment in NRED 1 Litigation, FOF No. 6, COL Nos. 7 - 19, Exhibit D, see also NRS 116.021, NRS 116.093. NRS 116.1201(2)(a)(4) provides, in pertinent part, that Chapter 116 does not apply to a limited purpose association, "except that a limited purpose association shall comply...with the provisions of NRS 116.4101 to 116.412." Included within the scope of these provisions is NRS 116.4117, which addresses civil actions for damages for failure or refusal to comply with provisions of Chapter 116 or an association's governing documents.

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#### NRS 116.4117(2) provides:

Subject to the requirements set forth in NRS 38.310 and except as otherwise provided in NRS 116.3111, a civil action for damages or other appropriate relief for a failure or refusal to comply with any provision of this chapter or the governing documents of an association may be brought:

- (a) By the association against:
  - (1) A declarant;
  - (2) A community manager; or
  - (3) A unit's owner.
- (b) By a unit's owner against:
  - (1) The association;
  - (2) A declarant; or
  - (3) Another unit's owner of the association.
- (c) By a class of units' owners constituting at least 10 percent of the total number of voting members of the association against a community manager.

Thus, an owner in a limited purpose association may pursue a civil action against an association as set forth in NRS 116.4117, as the Lytles did in the NRED Litigation.

Following the linear statutory reference, then, from NRS 116.4117, NRS 116.3111(3) provides, among other things, that "[1]iens resulting from judgments against the association are governed by NRS 116.3117." NRS 116.3117 then provides:

a judgment for money against the association, if a copy of the docket or an abstract or copy of the judgment is recorded, is not a lien on the common elements, but is a lien in favor of the judgment lienholder against all of the other real property of the association and all of the units in the commoninterest community at the time the judgment was entered. No other property of a unit's owner is subject to the claims of creditors of the association.

As a judgment creditor and lienholder in a proper civil action brought under NRS 116.4117, the Lytles have a lien on all units in the Association, a common interest community. Pursuant to this right as set forth in NRS, Chapter 116, Sections 4117(2), 3111 and 3117, the Lytles recorded the abstracts of judgment.

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# F. General Common-Interest Community Principles Define The Association As Including Each Unit Therein, and Defendants May Record a Lien/Abstract Against Each Unit Within the Association

NRS 17.150(2) provides, in pertinent part:

A transcript of the original docket or an abstract or copy of any judgment or decree of a district court of the State of Nevada or the District Court or other court of the United States in and for the District of Nevada, the enforcement of which has not been stayed on appeal, certified by the clerk of the court where the judgment or decree was rendered, may be recorded in the office of the county recorder in any county, and when so recorded it becomes a lien upon all the real property of the judgment debtor not exempt from execution in that county, owned by the judgment debtor at the time, or which the judgment debtor may afterward acquire, until the lien expires.

[Emphasis added.]

In recording the abstracts of judgment against the units within the Association, the abstracts became a lien upon all the real property of the Association, as the judgment debtor. Each unit, owned or unowned, within the Association is property of the Association, as set forth in Chapter 116. NRS 116.3117 mirrors the foregoing by encapsulating the lien framework within a single statute.

NRS 116.021 defines a "common interest community" as all "real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance or improvement of, or services or other expenses related to, common elements, other units or other real estate described in that declaration." NRS 116.093 defines a "unit" as the "physical portion of the common-interest community designated for separate ownership or occupancy..." Thus, an association, or common interest community, includes each unit in the community, including those owned by third parties.

This Nevada Supreme Court concluded as much in granting standing to homeowners' associations to file claims on behalf of unit owners in construction defect cases. In *D.R. Horton, Inc. v. Eighth Judicial Dist. Court,* 125 Nev. 449, 215 P.3d 697 (2009), the Supreme Court held that "provisions of NRS Chapter 116, among other sources, demonstrate that a common-interest community includes individual units..." *Id.*, 125 Nev. at 451, 215 P.3d at 699. Thus, the Supreme Court concluded that a homeowners' association has standing to file representative actions on behalf

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of its members for construction defects of units.

NRS 116.3117, clarifies that a judgment may be recorded against each unit. This is not a special rule of any sort in favor of creditors, rather it adds statutory clarity that a judgment against the common-interest community can be recorded against all property within that community, including units defined as being included in the community. These definitions are echoed in the Uniform Common Interest Ownership Act, under Section 1-203(9) and 1-203(35).

## The Original CC&Rs Define the Association as Including Each Lot Therein

Pursuant to the Original CC&Rs, a lien or judgment against the Association established under the Original CC&Rs attaches to each lot within the Association. As a result, the individual property of the owners within the Association, defined as Lots 1 through 9, is subject to lien.

The Original CC&Rs provide as follows:

WHEREAS, it is the desire and intention of Subdivider to sell the land described above and to impose on it mutual, beneficial covenants, conditions and restrictions under a general plan or scheme of improvement for the benefit of all the land described above and the future owners of the lots comprising said land.

Original CC&Rs, ¶2, Exhibit A. (referring to the "Lots 1 through 9 of Rosemere Court" in the definition above, thereby including the Disman lot, which the Dismans do not dispute).

A breach or violation of these CC&R's or any re-entry by reason of such breach or any liens established hereunder shall not defeat or render invalid or modify in any way the lien of any mortgage or deed of trust made in good faith and for value as to said lots or PROPERTY or any part thereof; that these CC&R's shall be binding and effective against any owner of said PROPERTY whose title thereof is acquired by foreclosure, trustee's sale or otherwise.

Id. at ¶ 4 (emphasis added).

The Original CC&Rs were recorded against each of the nine (9) lots within the Association, and each owner, or prospective owner, including the Dismans, purchased property with record and actual notice of the foregoing rights and remedies.3 Order Granting Summary Judgment in NRED 1

<sup>&</sup>lt;sup>3</sup> While CC&Rs are a restrictive covenant, the CC&Rs are interpreted like a contract. See, e.g., Diaz v. Ferne, 120 Nev. 70, 73, 84 P.2d 664, 665-66 (2004) (stating that the CC&Rs are a restrictive covenant, which is interpreted like a contract); see also Lee v. Savalli Estates Homeowners Ass'n, 2014 WL 4639148 (Nev. Sept. 16, 2014) (affirming Diaz that the rules of construction governing

Litigation, FOF No. 1, Exhibit D.

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The second provision cited above specifically attaches liens established under the Original CC&Rs "to said lots or Property." The attorneys' fee award in both the NRED 1, NRED 2 and NRED 3 Litigation, in relevant part, specifically find the Lytles' lien or judgment is established under the Original CC&Rs. Order Granting Attorneys' Fees in NRED 1 Litigation, at 2:1-15, Exhibit E; see also Order Granting Attorneys' Fees in NRED 2 Litigation, at 2:6-19, Exhibit M. If liens under the Original CC&Rs could not attach to the lots, there would be absolutely no need to include this provision, i.e. there would be no need for the Original CC&Rs to state that such a lien could not extinguish the first deed of trust or any other mortgage. Again, the Association has no property to even secure any loan as the only property that exists is Lots 1 through 9, which includes Plaintiffs' properties. Nowhere in the Original CC&Rs is there any inclusion of property owned by the Association or subject to the Original CC&Rs other than "Lots 1 through 9."

Nothing under this provision distinguishes the Lytles' liens or judgment pursuant to the attorneys' fees provision from any other provision or lien or judgment in the Original CC&Rs. The Original CC&Rs simply state "any liens established hereunder." RJN, Original CC&Rs. This necessarily includes the Lytles' liens.

# 2. The Fact That Dismans Were Not Parties To The NRED Litigation And Not Homeowners At The Time Of The Litigation Is Irrelevant

The basis for asserting a lien against each unit (property) within the Association is a prescribed right and remedy afforded to creditors by NRS 116.3117, the Amended CC&Rs, and general common-interest community principles as argued herein. Neither NRS 116.3117 nor Section 10.2(e) of the Amended CC&Rs mandate that an individual unit owner must be a party to the underlying litigation. Indeed, quite the opposite is true. Each unit, not each owner of the unit, is liable up to a pro rata share of any judgment obtained against the Association. NRS 116.3117, see also Amended CC&Rs, § 10.2(e). The lien attaches to the units, not the individual owners. It runs with the property. Further evidence of this is the fact that Chapter 116 requires sellers within an

contracts apply to the CC&Rs). "A court should not interpret a contract so as to make meaningless its provisions." *Phillips v. Mercer*, 94 Nev. 279, 282, 597 P.2d 174, 176 (1978).

association to notify all prospective purchasers of any unsatisfied judgments and pending litigation against the Association. See NRS 116.4109.

#### V. CONCLUSION

For the reasons set forth herein, the Lytles respectfully request that the Court deny the Dismans' Motion for Summary Judgment, or in the alternative, for Judgment on the Pleadings.

6 DATED: July 26, 2018

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

y: /s/ Richard E. Haskin, Esq.
Richard E. Haskin, Esq.
Nevada State Bar # 11592
1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144
Attorneys for Defendants
TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS
TRUSTEES OF THE LYTLE TRUST

	1	
1	CERTIFICATE OF MAILING	
2	The undersigned, an employee of the law firm of GIBBS GIDEN LOCHER TURNER SENET &	
3	WITTBRODT LLP, hereby certifies that on July 26, 2018, she served a copy of the foregoing	
4	DEFENDANTS TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST	
5	OPPOSITION TO MOTION FOR SUMMARY JUDGMENT, OR, IN THE ALTERNATIVE	
6	MOTION FOR JUDGMENT ON THE PLEADINGS by electronic service through the Regional	
7	Justice Center for Clark County, Nevada's ECF System:	
8	DANIEL T. FOLEY, ESQ. FOLEY & OAKS 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101	Attorneys for Plaintiffs MARJORIE BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, ETAL.
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13		Tel: (702) 255-1718 Fax: (702) 255-0871
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16	Christina H. Wang, Esq. FIDELITY NATIONAL LAW GROUP 1701 Village Center Circle, Suite 110 Las Vegas, Nevada 89134	Attorneys for Respondents ROBERT Z.  DISMAN and YVONNE A. DISMAN
17		Tel: (702) 667-3000
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19		
20		°24
21		An employee of
22		Gibbs Giden Locher Turner Senet & Wittbrodt LLP
24		
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# EXHIBIT K

**Electronically Filed** 

1/3/2019 3:20 PM Steven D. Grierson CLERK OF THE COURT **NEOJ** 

CHRISTINA H. WANG, ESQ. Nevada Bar No. 9713 2 FIDELITY NATIONAL LAW GROUP 1701 Village Center Circle, Suite 110 3 Las Vegas, Nevada 89134 Tel: (702) 667-3000 Fax: (702) 243-3091 5 Email: christina.wang@fnf.com Attorneys for Counter-Defendants/Cross-Claimants Robert Z. Disman and Yvonne A. Disman 6

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Fidelity National Law Group 1701 Village Center Circle Suite 110 Lus Vegas, Nevada 89134 (702) 667-3000 DISTRICT COURT

#### CLARK COUNTY, NEVADA

MARJORIE B. BOULDEN, TRUSTEE OF THE) MARJORIE B. BOULDEN TRUST, LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST,

Plaintiffs,

VS.

TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST, DOES I through X, and ROE CORPORATIONS I through X,

Defendants.

TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST,

Counter-Claimants,

vs.

LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES &) LINDA LAMOTHE LIVING TRUST, ROBERT Z. DISMAN, YVONNE A. DISMAN, and ROES 1 through 10, inclusive,

Counter-Defendants.

Case No.: A-16-747800-C

Dept. No.: XVIII

NOTICE OF ENTRY OF ORDER DENYING ROBERT Z. DISMAN AND YVONNE A. DISMAN'S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, MOTION FOR JUDGMENT ON THE PLEADINGS

Page 1 of 3

PLEASE TAKE NOTICE that on December 26, 2018, the Court entered an ORDER DENYING ROBERT Z. DISMAN AND YVONNE A. DISMAN'S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, MOTION FOR JUDGMENT ON THE PLEADINGS in the above-entitled matter, a copy of which is attached hereto as Exhibit 1. DATED this 3rd day of January, 2019. FIDELITY NATIONAL LAW GROUP Nevada Bar No. 9713 1701 Village Center Circle, Suite 110 Las Vegas, Nevada 89134 Attorneys for Plaintiff

Page 2 of 3

Fidelity National Law Group 1701 Village Center Circle State 110 Las Vegas, Nevada 89134 (702) 667-3000

## CERTIFICATE OF SERVICE

The undersigned employee of Fidelity National Law Group, hereby certifies that she served a copy of the foregoing NOTICE OF ENTRY OF ORDER DENYING ROBERT Z. DISMAN AND YVONNE A. DISMAN'S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, MOTION FOR JUDGMENT ON THE PLEADINGS upon the following parties on the date below entered (unless otherwise noted), at the fax numbers and/or addresses indicated below by: [X] (i) placing said copy in an envelope, first class postage prepaid, in the United States Mail at Las Vegas, Nevada, [ ] (ii) via facsimile, [ ] (iii) via courier/hand delivery, [ ] (iv) via overnight mail, [ ] (v) via electronic delivery (email), and/or [X] (vi) via electronic service through the Court's Electronic File/Service Program.

Richard E. Haskin, Esq.
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GIBBS GIDEN LOCHER TURNER
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Attorneys for September Trust, Zobrist
Trust, Sandoval Trust and Dennis &
Julie Gegn

DATED: 1319

Daniel T. Foley, Esq.
Foley & Oakes, PC
1210 S. Valley View Blvd., Suite 208
Las Vegas, Nevada 89102
Attorneys for Plaintiffs Marjorie B.
Boulden, Trustee of The Marjorie B.
Boulden Trust, amended and restated
dated July 17, 1996; and Linda Lamothe
and Jacques Lamothe, Trustees of the
Jacques and Linda Lamothe Living Trust

An employee of Fidelity National Law Group

Page 3 of 3

# **EXHIBIT 1**

**Electronically Filed** 12/27/2018 11:49 AM Steven D. Grierson CLERK OF THE COURT

1 ORDR Richard E. Haskin, Esq. Nevada State Bar # 11592 2 Timothy P. Elson, Esq. Nevada State Bar # 11559 3 GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP 4 1140 N. Town Center Drive, Suite 300 5 Las Vegas, Nevada 89144-0596 (702) 836-9800 6 Attorneys for Defendants 7 TRUDI LEE LYTLE, JOHN ALLEN LYTLE,

& THE LYTLE TRUST

#### DISTRICT COURT

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

MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST

#### Plaintiffs,

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TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST, DOES I through X, inclusive, and ROE CORPORATIONS I through X,

Defendants.

TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST,

Counter-Claimants,

٧.

LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST, ROBERT Z. DISMAN, YVONNE A. DISMAN, and ROES I through 10, inclusive,

Counter-Defendants.

2114412.1

Case No.: XVIII Dept.:

ORDER DENYING ROBERT Z. DISMAN AND YVONNE A. DISMAN'S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, MOTION FOR JUDGMENT ON THE PLEADINGS

A-16-747800-C

Date: August 9, 2018 Time: 9:00 a.m.

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Presently before the Court is Counter-Defendants/Cross-Claimants ROBERT Z. DISMAN and YVONNE A. DISMAN (collectively, the "Dismans")' Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings ("Motion") against Defendants/Counter-Claimants Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust (collectively, "Lytle Trust") in Case No. A-16-747800-C, which came on for hearing on August 9, 2018 at 9:00 a.m. in Department XVIII of the Eighth Judicial District Court, Clark County, Nevada.

Christina H. Wang, Esq. of Fidelity National Law Group appeared on behalf of the Dismans. Richard Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP appeared on behalf of the Lytle Trust. Daniel T. Foley, Esq. of Foley & Oakes, PC appeared on behalf of Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust") (collectively, the "Boulden Plaintiffs"). Additionally, Wesley J. Smith, Esq. of Christensen James & Martin appeared on behalf of the September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants ("Dennis & Julie Gegen") (collectively, the "September Trust Plaintiffs") in Case No. A-17-765372-C.

The Court having considered the pleadings and exhibits, having heard the arguments of counsel, and with good cause appearing therefore, the Court hereby makes the following findings and enters the following Order.

### **FINDINGS**

- 1. The Lytle Trust is the owner of certain residential property located in a Clark County, Nevada, subdivision called Rosemere Estates ("Rosemere Subdivision").
- 2. In 2009, the Lytle Trust filed a lawsuit against the Rosemere Estates Property Owners Association ("Association") in the Eighth Judicial District Court of Clark County, Nevada, Case No. A-09-593497-C ("Rosemere Litigation I").

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- The Lytle Trust obtained a monetary judgment against the Association in the Rosemere 3. Litigation I and subsequently caused to be recorded abstracts of that judgment ("Abstracts of Judgment") against properties within the Rosemere Subdivision.
- In 2010, the Lytle Trust filed another lawsuit against the Association in the Eighth 4. Judicial District Court of Clark County, Nevada, Case No. A-10-631355-C ("Rosemere Litigation II"). The Lytle Trust also obtained a monetary judgment against the Association in that litigation ("Rosemere Litigation II Judgment").
- On December 8, 2016, the Boulden Plaintiffs commenced the instant action against the 5. Lytle Trust alleging causes of action for (1) slander of title, (2) injunctive relief, (3) quiet title, and (4) declaratory relief. Their Complaint related to the Abstracts of Judgment that the Lytle Trust had recorded against their properties within the Rosemere Subdivision related to the Rosemere I Litigation.
- 6. At the time, the Boulden Trust was the owner of the residential property in the Rosemere Subdivision known as 1960 Rosemere Court, Las Vegas, Nevada 89117, Assessor's Parcel No. 163-03-313-008 ("1960 Rosemere Court" or "Property").
- 7. Thereafter, the Boulden Plaintiffs filed a Motion for Partial Summary Judgment, and on July 25, 2017, the Court issued an Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law ("Order") wherein the Court granted partial summary judgment for the Boulden Plaintiffs as to cloud on title and injunctive and declaratory relief.
- The Order specifically states as follows with respect to 1960 Rosemere Court: (1) the 8. Lytle Trust clouded title to the Property, (2) the Abstracts of Judgment are expunged and stricken from the record, (3) the Lytle Trust is permanently enjoined from recording and enforcing the Rosemere Litigation I judgment against the Property, and (4) the Lytle Trust is permanently enjoined from taking any action in the future against 1960 Rosemere Court based on the Rosemere Litigation I.
- On July 25, 2017, the Boulden Plaintiffs filed a Second Amended Complaint against 9. the Lytle Trust. The Second Amended Complaint seeks, in part, to enjoin the Lytle Trust from recording the Rosemere Litigation II Judgment against the Boulden Plaintiffs' properties.
  - The Boulden Trust subsequently sold 1960 Rosemere Court to the Dismans. 10.
  - On August 11, 2017, the Lytle Trust filed its Answer to the Second Amended 11.

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Complaint and a Counterclaim against the Lamothe Trust and the Dismans ("Counterclaim"). Therein, the Lytle Trust named the Dismans as necessary parties to this action as the new owners of the Property.

- 12. The Lytle Trust's Counterclaim states a single cause of action against the Lamothe Trust and the Dismans for a declaratory judgment that it is entitled to record a lien and/or abstract of the Rosemere Litigation I and II Judgments against the Lamothe Trust's property and the Dismans' Property.
- 13. The Dismans filed the instant Motion seeking summary judgment or, in the alternative, judgment on the pleadings with respect to the Lytle Trust's Counterclaim.
- 14. In its Opposition to the Motion, the Lytle Trust argued, in essence, that the Motion is moot because the Court's prior Order with respect to the Boulden Plaintiffs' Motion for Partial Summary Judgment disposed of the Counterclaim the only cause of action between the Lytle Trust and the Dismans.
- 15. After review and consideration, this Court holds that the prior Order, including its underlying basis, is the law of the case.
- 16. Consequently, as the law of the case, the Order encompasses the Lytle Trust's Counterclaim.
- 17. The matter is now on appeal before the Nevada Supreme Court. Hence, there is no cause of action or live controversy between the Lytle Trust and the Dismans upon which this Court can grant summary judgment or judgment on the pleadings. See Personhood Nevada v. Bristol, 126 Nev. 599, 602, 245 P.3d 572, 574 (2010) ("A controversy must be present through all stages of the proceeding, and even though a case may present a live controversy at its beginning, subsequent events may render the case moot.") (Citations omitted).

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### <u>ORDER</u>

THEREFORE,

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IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Dismans' Motion is DENIED without prejudice as there is no pending cause of action or live controversy between the Lytle Trust and the Dismans.

IT IS SO ORDERED.

Dated this 26 day of December, 2018.

Submitted by:

GIBBS GIDEN LOCHER TURNER SENET

& WITTBRODT LLP

RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592

DANYÉL M. HANSEN, ESQ.

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1140 N. Town Center Drive, Suite 300

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Approved as to Form and Content by:

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1701 Village Center Circle, Suite 110

25 Las Vegas, Nevada 89134

Attorneys for Counter-Defendants/Cross-Claimants

26 Robert Z. Disman And Yvonne A. Disman

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# EXHIBIT L

## IN THE SUPREME COURT OF THE STATE OF NEVADA

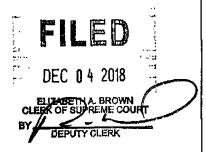
TRUDI LEE LYTLE; AND JOHN
ALLEN LYTLE, AS TRUSTEES OF THE
LYTLE TRUST,
Appellants,
vs.
MARJORIE B. BOULDEN, TRUSTEE
OF THE MARJORIE B. BOULDEN
TRUST; LINDA LAMOTHE; JACQUES
LAMOTHE, TRUSTEES OF THE
JACQUES & LINDA LAMOTHE

LIVING TRUST; ROBERT Z. DISMAN;

AND YVONNE A. DISMAN,

Respondents.

No. 73039



### ORDER OF AFFIRMANCE

This is an appeal from a district court order granting an injunction in a real property action. Eighth Judicial District Court, Clark County; Timothy C. Williams, Judge.

In 1996, appellants Trudi and John Lytle purchased a lot in Rosemere Estates for the purpose of building a residence. The lots in Rosemere Estates are subject to Covenants, Conditions, and Restrictions (Original CC&Rs) imposed by the developer. The Original CC&Rs contemplated the future formation of a property owners' committee that would maintain limited common areas in the development. Two homeowners, acting on behalf of all Rosemere Estates lot-owners, subsequently filed non-profit articles of incorporation to create the committee contemplated in the Original CC&Rs, the Rosemere Estates Property Owners Association (Association).

SUPREME COURT OF NEVAOA

18-906850

In 2007, the Association amended the Original CC&Rs, effectively trying to turn itself into a homeowners' association under NRS Chapter 116 and enforce new restrictions on the Lytles' lot. The Lytles filed suit against the Association, seeking a declaration that the amended CC&Rs were void as well as damages, costs, and fees. The district court granted summary judgment in favor of the Lytles, finding that: the Original CC&Rs did not form a homeowners' association under NRS Chapter 116, but rather a limited purpose association; the amended CC&Rs were improperly adopted and recorded; and the Association had no power to impose additional restrictions on the Lytles' property as though it were a homeowners' association. Consequently, the district court declared the amended CC&Rs invalid and awarded the Lytles monetary damages, attorney fees, and costs.

The Lytles subsequently recorded abstracts of judgment against properties contained within Rosemere Estates, including two owned by Marjorie Boulden and Linda and Jacques Lamothe. Boulden and the Lamothes filed suit against the Lytles seeking declaratory and injunctive relief and to quiet title and remove the abstracts of judgment clouding title. They later moved for summary judgment on all causes of action. The district court granted the motion, concluding that because Boulden and the Lamothes were not parties to the previous litigation and the Association



<sup>&</sup>lt;sup>1</sup>Respondents Robert Z. Disman and Yvonne A. Disman purchased the property belonging to Marjorie Boulden in August 2017, and were added as respondents to this appeal on the Lytles' motion to join them.

was limited in purpose and not subject to NRS 116.3117's mechanism by which judgments against a homeowners' association may be recorded against properties therein, Boulden and the Lamothes were not obligated under the Lytle's judgment. Determining that the Lytles improperly clouded title, the district court ordered the abstracts of judgment expunged from the properties' titles and entered a permanent injunction enjoining the Lytles from enforcing the judgment or any related abstracts against the Boulden or Lamothe properties.

The Lytles now appeal, arguing that NRS 116.3117 applies to limited purpose associations both through plain statutory language and on equitable grounds or, in the alternative, that they are permitted to record their abstracts of judgment against the subject properties under general principles governing common-interest communities.

## DISCUSSION

Standard of review

Where injunctive relief is granted in the form of summary judgment, the standard of review is de novo. A.L.M.N., Inc. v. Rosoff, 104 Nev. 274, 277, 757 P.2d 1319, 1321 (1988); Wood v. Safeway, Inc., 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005). Summary judgment is appropriate where there is no dispute of material fact and the moving party is entitled to judgment as a matter of law. Wood, 121 Nev. at 729, 121 P.3d at 1029. NRS 116.3117 does not apply to limited purpose associations

Where a statute's language is unambiguous, this court gives effect to its plain meaning. D.R. Horton, Inc. v. Eighth Judicial Dist. Court,

123 Nev. 468, 476, 168 P.3d 731, 737 (2007). NRS 116.1201(2)(a) provides, in relevant part, that limited purpose associations are not subject to NRS Chapter 116, with enumerated statutory exceptions, NRS 116.3117 not among them. NRS 116.3117(1)(a) states that a monetary judgment against an association, once recorded, is a lien against all real property of the association and all of the units in the common-interest community. An "association" is defined as a unit-owners' association organized under NRS 116.3101. NRS 116.011. A unit-owners' association must be in existence on or before the date when the first unit is conveyed. NRS 116.3101.

Here, the Lytles do not dispute that the Association is a limited purpose association. Although they assert that properties within limited purpose associations are subject to NRS 116.3117's lien provisions, NRS 116.1201 spells out the specific statutes within NRS Chapter 116 that apply to limited purpose associations, and NRS 116.3117 is not among them. Aside from those listed statutes, NRS Chapter 116 "does not apply to [a] limited purpose association." NRS 116.1201(2)(a). Thus, the plain language of the statute is clear that limited purpose associations are not subject to NRS 116.3117's lien provisions. By listing exactly which provisions within NRS Chapter 116 apply to limited purpose associations, NRS 116.1201 does not leave any room for question or expansion in the way the Lytles urge. We are likewise not persuaded by the Lytles' further contention that they may place a valid judgment lien on the Boulden and Lamothe properties through a series of statutory incorporations. Specifically, although the Lytles argue that NRS 116.3117 applies to limited purpose associations

through NRS 116.4117(2)'s reference to NRS 116.3111, which states that "liens resulting from judgments against the association are governed by NRS 116.3117," NRS 116.4117(2) does not incorporate NRS 116.3111. Instead, it enumerates the circumstances in which suit may be brought for breach of NRS Chapter 116 or governing documents "except as otherwise provided in NRS 116.3111." NRS 116.3111 addresses tort and contract liability for "injury or damage arising out of the condition or use of the common elements," which is not at issue here. Therefore, although NRS 116.4117(2) references NRS 116.3111, it does not incorporate it and there is no interpretive progression that suggests limited purpose associations are subject to NRS 116.3117.

The Lytles next argue that a broad, equitable mechanism set forth in Mackintosh v. California Federal Savings & Loan Association, 113 Nev. 393, 935 P.2d 1154 (1997), allows them to record a judgment lien against the Boulden and Lamothe properties. We disagree here as well. The Lytles contend that Mackintosh allows them to treat the Association as a homeowners' association subject to all provisions of NRS Chapter 116 in order to enforce their judgment, despite the district court's unchallenged determination in the action in which they obtained their judgment that the Association is a limited purpose association. The facts and holdings of Mackintosh do not support the conclusion proffered by the Lytles. Although Mackintosh recognized that a prevailing party may recover attorney fees from the other contracting party under a contractual provision even where that contract has been rescinded, it had nothing to do with statutory lien rights. 113 Nev. at 406, 935 P.2d at 1162. The Lytles intermingle two

different legal theories—contractual attorney fees and statutory lien rights—in an attempt to piece together a solution that would allow them to enforce a judgment lien against property owners who were not parties to the Lytles' complaint against Rosemere Estates, and whose property interests had never been subject of any suit. Nothing in *Mackintosh* suggests that applies beyond the context of contractual agreements and the circumstances of that case, and we are not persuaded that it otherwise provides a basis for expanding the application of NRS 116.3117.2

General principles of common-interest communities do not permit the Lytles to record the abstracts of judgment against all properties subject to the Association

The Lytles argue that all of the Rosemere Estates units, including respondents' real properties, are the property of the Association under D.R. Horton, Inc. v. Eighth Judicial District Court, 125 Nev. 449, 215 P.3d 697 (2009), and the Lytles consequently may record their abstracts of judgment pursuant to NRS 17.150(2). We disagree.



<sup>&</sup>lt;sup>2</sup>The Lytle's also argue that the "sword and shield doctrine" allows the judgment to be recorded against respondents' properties, relying on *Molina v. State*, 120 Nev. 185, 193-94, 87 P.3d 533, 539 (2004), which held that a criminal defendant could not invoke the attorney-client privilege while simultaneously seeking to withdraw his guilty plea when he put the content of his interactions with his attorney at issue by arguing that his attorney advised him to enter a plea without knowledge of his case. *Molina* is inapposite here, as it adjudicated evidentiary issues unrelated to this dispute. Here, although respondents relied on the inapplicability of NRS Chapter 116 in seeking declaratory and injunctive relief in the underlying action in order to have the liens clouding their titles expunged, they were not parties to the Lytle-Rosemere Estates litigation, in which the Lytles likewise relied on NRS Chapter 116 to have Rosemere Estate's amended CC&Rs declared invalid.

NRS 17.150(2) allows a party to record a judgment with a county recorder, which then serves as a lien on the property of the judgment debtor. Because it is undisputed that the respondents were not parties to the Lytles' prior suit against the Association, the question turns on whether the Association holds a property interest in the individual lots constituting Rosemere Estates.

D.R. Horton did not hold that individual units subject to a homeowners' association are the property of that association. D.R. Horton only considered the question of standing, not ownership. 125 Nev. at 451-52, 215 P.3d at 699. Additionally, D.R. Horton's holding that individual units are part of the common-interest community, id. at 460, 215 P.3d 704, does not mean that the property of individual owners is also owned by homeowners' associations, as homeowners' associations and commoninterest communities are not the same thing, see NRS 116.011; NRS 116.3101; NRS 116.021. Finally, NRS 116.3117(1)(a) further undermines the Lytles' position that homeowners' associations have an ownership interest in individual units, as it distinguishes between the property owned by the association and the individual units in the common-interest community. Under the association ownership position asserted by the Lytles, the statute's language allowing judgments to be recorded against the units would be rendered superfluous, as NRS 17.150 would be sufficient to allow judgments to be recorded against the units of a common-interest community. Statutory construction principles do not support this position. See Harris Assocs. v. Clark Cty. Sch. Dist., 119 Nev. 638, 642, 81 P.3d 532,

534 (2003) ("[W]e construe statutes to give meaning to all of their parts and language[.]" (internal quotation marks omitted)). Based on the foregoing, we

ORDER the judgment of the district court AFFIRMED.

Cherry

Cherry

Parraguirre

J.

Stiglich, J.

<sup>&</sup>quot;The Lytles also contend that the Original CC&Rs created a mechanism to record a judgment against the Association on individual units within Rosemere Estates. They cite the provision stating, "[A]ny liens established hereunder shall not defeat... the lien of any mortgage... as to said lots..." As nothing within that provision explicitly permits a judgment against the contemplated association to be recorded as a lien on properties within the community, we conclude that it does not create a mechanism by which the Lytles could record their judgment against the Association as a lien on member properties. Diaz v. Ferne, 120 Nev. 70, 73, 84 P.3d 664, 665-66 (2004) (observing that this court reviews de novo the interpretation of a restrictive covenant in CC&Rs); see Am. First Fed. Credit Union v. Soro, 131 Nev. 737, 739, 359 P.3d 105, 106 (2015) (providing that when "the language of the contract [or CC&R] is clear and unambiguous[,]... the contract will be enforced as written" (internal quotation marks omitted)).

cc: Hon. Timothy C. Williams, District Judge
Persi J. Mishel, Settlement Judge
Gibbs Giden Locher Turner Senet & Wittbrodt LLP/Las Vegas
Fidelity National Law Group
Foley & Oakes, PC
Christensen James & Martin
Eighth District Court Clerk

# EXHIBIT M

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appeared on behalf of the Lytle Trust. Daniel T. Foley, Esq. of Foley & Oak, PC appeared on behalf of Plaintiffs/Counter-Defendants Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust") (at times collectively referred to herein as, the "Boulden Plaintiffs"). Additionally, Wesley J. Smith, Esq. of Christensen James & Martin appeared on behalf of Plaintiffs in Case No. A-17-765372-C — September Trust, dated March 23, 1972, Gerry R. Zobrist and Jolin G. Zobrist, Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust, Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992, and Dennis A. Gegen and Julie S. Gegen.

Dismans. Richard E. Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP

The Court, having reviewed the record, the points and authorities set forth in the Motion, Opposition, and Reply, considered the oral arguments of counsel and good cause appearing therefore, makes the following Findings of Fact, Conclusions of Law and Order.

### **FINDINGS OF FACT**

- 1. The Dismans are the owners of the residential property in Clark County, Nevada known as 1960 Rosemere Court, Las Vegas, Nevada 89117, Assessor's Parcel No. 163-03-313-008 ("1960 Rosemere Court" or "Property").
- 2. The Lytle Trust is the owner of the residential property in Clark County, Nevada known as Assessor's Parcel No. 163-03-313-009.
- 3. Both properties are located within a subdivision commonly known as Rosemere Estates ("Subdivision").
- 4. On January 4, 1994, a Declaration of Covenants, Conditions and Restrictions governing the Subdivision ("Original CC&Rs") was recorded by Baughman & Turner Pension Trust, then owner and developer of the Subdivision.

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5.	On	July	3,	200	7,	an	Amended	and	Restated	Declaration	of	Covenants,
Conditions,	and	Restri	ictic	ons	for	the	e Subdivis	sion	("Amende	d CC&Rs")	wa	s recorded
ourportedly l	by the	Roser	nere	e Esta	ates	s Pro	perty Own	ers A	ssociation	("Association	ı").	

- 6. The Amended CC&Rs set forth new requirements for the Subdivision and provided that the changes were made "in order to bring the same into compliance with the provisions of Nevada Revised Statutes ("NRS") Chapter 116.
- 7. In 2009, the Lytle Trust sued the Association in the Eighth Judicial District Court, Case No. A-09-593497-C (the "Rosemere Litigation I"), seeking, *inter alia*, a declaratory judgment that the Amended CC&Rs were not properly adopted and, therefore, void.
  - 8. The Dismans were not parties to the Rosemere Litigation I.
- 9. The Lytle Trust ultimately obtained a summary judgment for declaratory relief from the district court in the Rosemere Litigation I, which found and ruled as follows, in pertinent part:
  - a. The Association is a limited purpose association under NRS 116.1201, is not a Chapter 116 "unit-owners' association," and is relegated to only those specific duties and powers set forth in Paragraph 21 of the Original CC&Rs and NRS 116.1201.
  - b. The Association did not have any powers beyond those of the "property owners committee" designated in the Original CC&Rs simply to care for the landscaping and other common elements of Rosemere Estates as set forth in Paragraph 21 of the Original CC&Rs.
  - c. Consistent with the absence of a governing body, the Developer provided each homeowner the right to independently enforce the Original CC&Rs against one another.
  - d. The Amended and Restated CC&Rs recorded with the Clark County Recorder's Office as Instrument #20070703-0001934 (the "Amended CC&Rs") are invalid, and the Amended CC&Rs have no force and effect.
- 10. Additionally, the Lytle Trust obtained a monetary judgment against the Association in the Rosemere Litigation I which included an award of attorneys' fees and costs ("Rosemere Litigation I Judgment") and subsequently caused to be recorded abstracts of that judgment ("Abstracts of Judgment") against properties within the Subdivision, including 1960 Rosemere Court.
  - 11. In 2010, the Lytle Trust filed another lawsuit against the Association in the

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Eighth Judicial District Court, Case No. A-10-631355-C (the "Rosemere Litigation II").

- 12. The Dismans were not parties to the Rosemere Litigation II.
- 13. The Lytle Trust also obtained a monetary judgment against the Association in the Rosemere Litigation II which included an award of punitive damages, attorneys' fees and costs ("Rosemere Litigation II Judgment").
- 14. On or about December 8, 2016, the Boulden Plaintiffs commenced this case against the Lytle Trust regarding the Abstracts of Judgment that the Lytle Trust had recorded against their properties in the Subdivision.
- 15. At the time, the Boulden Trust was the owner of 1960 Rosemere Court within the Subdivision.
- 16. On March 10, 2017, the Boulden Plaintiffs filed an Amended Complaint against the Lytle Trust, alleging claims for slander of title, injunctive relief, quiet title, and declaratory relief.
- 17. The Boulden Plaintiffs alleged in support of their claims that the Original CC&Rs recorded on January 4, 1994 against all of the properties within the Subdivision created a limited purpose association, that the district court in the Rosemere Litigation I had previously declared that the Subdivision was a limited purpose association, that NRS 116.3117, the statute upon which the Lytle Trust relied in recording the Abstracts of Judgment, was not applicable to the Association, and, therefore, the Abstracts of Judgment could not be recorded against the Boulden Plaintiffs' properties.
- 18. Thereafter, the Boulden Plaintiffs filed a motion for partial summary judgment, and on April 26, 2017, this Court issued an order granting partial summary judgment in their favor ("Order") as to the quiet title and declaratory relief causes of action, finding and concluding as follows:
  - 7. None of the Plaintiffs were a "losing party" in the Rosemere LPA Litigation<sup>1</sup> as that term is found in Section 25 of the Original CC&Rs.

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<sup>&</sup>lt;sup>1</sup> The Rosemere LPA Litigation is referred to herein as the Rosemere Litigation I.

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8.	The	Defendants	obtained	a	Summ	ary	Judgment	fo
Decla	ratory	Relief from	the District	C	ourt in	the	Rosemere	LPA
Litiga	tion, w	vhich found a	nd ruled as f	foll	lows:			

- a. The Association is a limited purpose association under NRS 116.1201, is not a Chapter 116 "unit-owners' association," and is relegated to only those specific duties and powers set forth in Paragraph 21 of the Original CC&Rs and NRS 116.1201.
- b. The Association did not have any powers beyond those of the "property owners committee" designation in the Original CC&Rs simply to care for the landscaping and other common elements of Rosemere Estates as set forth in Paragraph 21 of the Original CC&Rs.
- c. Consistent with the absence of a governing body, the Developer provided each homeowner the right to independently enforce the Original CC&Rs against one another.
- d. The Amended and Restated CC&Rs recorded with the Clark County Recorder's Office as Instrument #20070703-0001934 (the "Amended CC&Rs") are invalid, and the Amended CC&Rs have no force and effect.
- 9. Pursuant to NRS 116.1201(2) most of NRS Chapter 116 does not apply to the Association because it is a limited purpose association that is not a rural agricultural residential community.
- 19. The Order specifically states as follows with respect to 1960 Rosemere Court: (1) the Lytle Trust clouded title to the Property, (2) the Abstracts of Judgment are expunged and stricken from the record, (3) the Lytle Trust is permanently enjoined from recording and enforcing the Rosemere Litigation I judgment against the Property, and (4) the Lytle Trust is permanently enjoined from taking any action in the future against 1960 Rosemere Court based on the Rosemere Litigation I.<sup>2</sup>
  - 20. The Lytle Trust released its Abstracts of Judgment from the Boulden Plaintiffs'

<sup>&</sup>lt;sup>2</sup> The Order was subsequently amended on or about July 25, 2017; however, none of the findings of fact and conclusions of law recited above were modified.

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Fidelity National Law Group 2450 St. Rose Parkway Suite 100 Henderson, Nevada 89074 (702) 667-3000 properties in accordance with the Order, but recorded notices of lis pendens against those properties on or about May 10, 2017. Moreover, it advised the Boulden Plaintiffs of the Rosemere Litigation II Judgment that it had recently obtained.

- 21. This prompted the Boulden Plaintiffs to file a Second Amended Complaint against the Lytle Trust on July 25, 2017, that sought, *inter alia*, to enjoin the Lytle Trust from recording or enforcing the Rosemere Litigation II Judgment against their properties.
- 22. On or about August 4, 2017, the Boulden Trust sold 1960 Rosemere Court to the Dismans.
- 23. On August 11, 2017, the Lytle Trust filed an Answer to the Second Amended Complaint and a Counterclaim against the Lamothe Trust and the Dismans ("Counterclaim").
- 24. The Counterclaim seeks, in essence, a declaration that the Lytle Trust can record an abstract of the Rosemere Litigation II Judgment against the Lamothe Trust and the Dismans' properties.
- 25. On or about June 28, 2018, the Dismans moved for summary judgment or judgment on the pleadings against the Lytle Trust on the basis that this Court's Order regarding the Rosemere Litigation I Judgment rendered the Counterclaim regarding the Rosemere Litigation II Judgment unsustainable.
- 26. On or about December 27, 2018, Judge Mark B. Bailus denied the Dismans' motion as moot,<sup>3</sup> holding that this Court's Order encompasses the Lytles' Counterclaim and prevents the Lytle Trust from recording an abstract of the Rosemere Litigation II Judgment against the Dismans' property.
- 27. On January 23, 2019, the Dismans filed the instant Motion seeking an award of their attorney's fees against the Lytle Trust pursuant to the terms of the Original CC&Rs and/or the provisions of NRS 18.010(2).

## CONCLUSIONS OF LAW

<sup>&</sup>lt;sup>3</sup> Subsequent to this Court's Order, the case was reassigned to Judge Mark B. Bailus in Department 18. It was then reassigned to this department.

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1.	Under NRS 18.010(1), "[t]he compensation of an attorney and counselor for hi
services is gov	verned by agreement, express or implied, which is not restrained by law."

2. Section 25 of the Original CC&Rs governing the Subdivision provides:

Attorney's Fees: In any legal or equitable proceeding for the enforcement of or to restrain the violation of the Declaration of Covenants, Conditions and Restrictions or any provision thereof, the losing party or parties shall pay in such amount as may be fixed by the court in such proceeding.

- 3. The Lytle Trust brought the Counterclaim against the Dismans seeking to enforce, among other things, its alleged rights under the Original CC&Rs against them. The Counterclaim alleges in pertinent part:
  - 28. There exists a controversy between the Lytles and the Counter-defendants and Third—Party Defendants regarding the interpretation, application and *enforcement* of NRS, Chapter 116 as well as the application of the Original CC&Rs and Amended CC&Rs to the controversy at hand, requiring a determination by this Court and entry of declaratory relief.
  - 29. Specifically, the Lytles contend as follows:
    - Pursuant to the Original CC&Rs, a lien or judgment against the association established under the Original CC&Rs attaches to each lot within the Association.
    - b. Pursuant to the Amended CC&Rs, which were in force at all times from 2007 through July 29, 2013, a lien or judgment against the Association established under the Amended CC&Rs attaches to each lot with the Association.
    - Pursuant to NRS, Chapter 116, the Uniform c. Common Interest Development Act, a lien or judgment against the Association attached to each lot within the Association, even if the Association is a limited purpose association, because under NRS 116.021, each common interest community consists of all "real estate described in a declaration with respect to which a person, by virtue of the person's ownership of a unit, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance or improvement of, or services or other expenses related to, common elements, other units or other real estate described in that declaration." Further under NRS 116.093, each "unit" is defined as the "physical portion of the common-interest community designated for separate ownership or occupancy...

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Fidelity National Law Group 2450 St. Rose Parkway Suite 100 Henderson, Nevada 89074 (702) 667-3000 Thus, the association, or common interest community, includes each and every unit in the community, including those owned by third parties.

- d. Pursuant to NRS 116.3117, which governed the Association and all owners during the underlying litigation, a judgment against the Association is a lien in favor of the Lytles against all of the real property within the Association and all of the units therein, including Counter-Defendants' properties. The association and its membership are not entitle to use Chapter 116 and all of its provisions as a sword during the litigation against the Lytles, e.g. to record multiple liens totaling \$209,883.19 against the Lytles and attempt foreclosure against the Lytle Property forcing to procure a \$123,000.00 cash bond to prevent such foreclosure, and then a shield to defend against the Lytles after they prevailed in that litigation and the Association was declared a limited purpose association.
- 30. The Lytles desire a judicial determination of the parties' rights and duties and a declaration (that) the lien against the Association, specifically, the Abstract of judgment issued in the NRED II Litigation, acan be recorded against 1830 Rosemere Court and 1960 Rosemere Court.
- 4. Given the nature of the Counterclaim, as well as the overall case in which both the Boulden Plaintiffs and the Lytle Trust sought to enforce their alleged rights under the Original CC&Rs, this Court concludes that Section 25 of the Original CC&Rs applies to control the award of attorney's fees.
- 5. Moreover, applying the language of Section 25, the Court concludes that the Dismans are the winning parties, that the Lytle Trust is the losing party, and that the assessment of attorney's fees against the losing party is mandatory under Section 25.
  - 6. The Dismans incurred \$35,676.00 in attorney's fees.
- 7. Under Nevada law, the basic elements to be considered in determining the reasonable value of an attorney's service are: "(1) the qualities of the advocate: his ability, his training, education, experience, professional standing and skill; (2) the character of the work to be done: its difficulty, its intricacy, its importance, time and skill required, the responsibility

<sup>&</sup>lt;sup>4</sup> The NRED II Litigation is referred to herein as the Rosemere Litigation II.

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imposed and the prominence and character of the parties where they affect the importance of the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given to the work; (4) the result: whether the attorney was successful and what benefits were derived." Brunzell v. Golden Gate Nat. Bank, 85 Nev. 345, 349, 455 P.2d 31, 33 (1969) (internal citations omitted).

- 8. Based on the record and the affidavit of the Dismans' counsel in support of the Motion, the Court finds that the qualities of counsel, including her ability, training, education, experience, professional standing and skill, establish the reasonableness of the fees sought. Furthermore, the Court observed firsthand in reviewing pleadings and at hearings the quality of representation and level of preparation of the Dismans' counsel. Therefore, the first Brunzell factor has been satisfied.
- 9. The Court also finds that the character of the work to be done and its difficulty, intricacy, importance, time and skill required, and responsibility imposed likewise establish the reasonableness of the Dismans' attorney's fees. This case has a ten (10) year history which required extensive review, analysis, research and preparation of pleadings by the Dismans' counsel. Therefore, the second Brunzell factor has been sufficiently satisfied.
- 10. The Court further finds that the skill, time, and attention given to the work are also indicative of the reasonableness of the Dismans' attorney's fees. As shown by the Court records and counsel's billing statements, the case was contentious and zealously litigated. Tremendous attention and time were paid by counsel. The preparation for this case was detailed and complete and the fees charged were reasonable and necessary. Accordingly, the third Brunzell factor has been satisfied.
- 11. The fourth factor assesses the success and benefits derived from the litigation. Through their counsel's efforts, the Counterclaim was ultimately dismissed. Accordingly, the Lytle Trust cannot reasonably argue that the result obtained was not a successful result for the Dismans. Thus, the fourth Brunzell factor has been satisfied to permit the Dismans to recover reasonable attorney's fees from the Lytle Trust.

12. In sum, consideration of the Brunzell factors supports an award of reasonable attorney's fees in the amount of \$35,676.00 to the Dismans.

The Court declines to make the determination that the Lytle Trust's actions in 13. this case lacked reasonable grounds except for the filing of their Notices of Lis Pendens, which was clearly unreasonable in light of the procedural history of the case.

### **ORDER**

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

IT IS ORDERED, ADJUDGED AND DECREED that the Dismans' Motion is hereby GRANTED pursuant to the Original CC&Rs.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that attorney's fees are hereby awarded in favor of the Dismans in the total and aggregate amount of Thirty-Five Thousand Six Hundred Seventy Six and 00/100 Dollars (\$35,676.00) against the Lytle Trust.

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Fidelity National Law Group 0 St. Rose Parkway Suite 100 derson, Nevada 89074 (702) 667-3000

Page 10 of 11

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Law Group 2450 St. Rose Parkway

Suite 100 Henderson, Nevada 89074 (702) 667-3000

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Lytle Trust is hereby ordered to pay the attorney's fees as ordered herein by certified check made payable to Fidelity National Law Group in the amount of Thirty-Five Thousand Six Hundred Seventy Six and 00/100 Dollars (\$35,676.00) and delivered to Fidelity National Law Group within ten (10) days of the Notice of Entry of this Order. IT IS SO ORDERED. DATED this Approved as to form and content by: Respectfully submitted by: GIBBS GIDEN LOCHER TURNER SENET & FIDELITY NATIONAL LAW GROUP WITTBRODT LLP RICHARD E HASKIN, ESQ. Nevada Bar No. 11592 Nevada Bar No. 9713 1/40 N. Town Center Drive, Suite 300 2450 St. Rose Parkway, Suite 100 Las Vegas, Nevada 89144 Henderson, Nevada 89074 Attorneys for the Dismans Attorneys for the Lytle Trust

Page 11 of 11

# EXHIBIT N

**Electronically Filed** 5/24/2018 10:08 AM Steven D. Grierson CLERK OF THE COURT **CHRISTENSEN JAMES & MARTIN** KEVIN B. CHRISTENSEN, ESQ. WESLEY J. SMITH, ESQ. Nevada Bar No. 11871 LAURA J. WOLFF, ESQ. 7440 W. Sahara Avenue Las Vegas, Nevada 89117 Facsimile: (702) 255-0871 Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust and Dennis & Julie Gegen EIGHTH JUDICIAL DISTRICT COURT **CLARK COUNTY, NEVADA** MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C THE MARJORIE B. BOULDEN TRUST, Dept. No.: XVIII LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE ORDER GRANTING MOTION FOR JACQUES & LINDA LAMOTHE LIVING SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, MOTION FOR JUDGMENT ON THE PLEADINGS Plaintiffs, AND DENYING COUNTERMOTION FOR SUMMARY JUDGMENT TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST, DOES I through X, and ROE CORPORATIONS I Date: May 2, 2018 Time: 9:00 a.m. Defendants. AND ALL RELATED COUNTERCLAIMS AND CROSS-CLAIMS Case No.: A-17-765372-C

7440 West Sahara Ave., Las Vegas, Nevada 89117 Ph: (702) 255-1718 § Fax: (702) 255-0871

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TRUST,

through X,

VS.

ORDR

Nevada Bar No. 175

Nevada Bar No. 6869

Tel.: (702) 255-1718

SEPTEMBER TRUST, DATED MARCH 23, 1972; GERRY R. ZOBRIST AND JOLIN G. ZOBRIST, AS TRUSTEES OF THE GERRY R. ZOBRIST AND JOLIN G. ZOBRIST FAMILY TRUST; RAYNALDO G. SANDOVAL AND JULIE MARIE SANDOVAL GEGEN, AS TRUSTEES OF THE RAYNALDO G. AND EVELYN A. SANDOVAL JOINT LIVING AND

Dept. No.: XXVIII

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

Plaintiffs,

VS.

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

Defendants.

Presently before the Court is Plaintiffs' Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings filed by the September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants ("Dennis & Julie Gegen") (collectively the "Plaintiffs") in Case No. A-17-765372-C, and Defendants' Countermotion for Summary Judgment filed by Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust ("Lytle Trust") in Case No. A-17-765372-C, which came on for hearing on March 21, 2018 at 9:00 a.m. and May 2, 2018 at 9:00 a.m. in Department XVIII of the Eighth Judicial District Court, Clark County, Nevada.

Wesley J. Smith, Esq. of Christensen James & Martin appeared on behalf of the Plaintiffs September Trust, Zobrist Trust, Sandoval Trust, and Dennis & Julie Gegen. Richard Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP appeared on behalf of the Lytle Trust. Daniel T. Foley, Esq. of Foley & Oakes, PC appeared on behalf of Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden

Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust"). Christina H. Wang, Esq. of Fidelity Law Group appeared on behalf of Robert Z. Disman and Yvonne A. Disman ("Robert & Yvonne Disman").

The Court having considered the Motions and exhibits, having heard the arguments of counsel, for all the reasons contained in the Plaintiffs' Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings, and with good cause appearing therefore, the Court hereby enters the following Order:

### FINDINGS OF FACT

- The September Trust is the owner of the residential property in Clark County, Nevada known as 1861 Rosemere Court, Las Vegas, Nevada 89117, Assessor's Parcel No. 163-03-313-004 ("September Property").
- 2. The Zobrist Trust is the owner of the residential property in Clark County, Nevada known as 1901 Rosemere Court, Las Vegas, Nevada 89117, Assessor's Parcel No. 163-03-313-005 ("Zobrist Property").
- 3. The Sandoval Trust is the owner of the residential property in Clark County, Nevada known as 1860 Rosemere Court, Las Vegas, Nevada 89117, Assessor's Parcel No. 163-03-313-001 ("Sandoval Property").
- 4. Dennis & Julie Gegen are the owner of the residential property in Clark County, Nevada known as 1831 Rosemere Court, Las Vegas, Nevada 89117, Assessor's Parcel No. 163-03-313-003 ("Gegen Property") (hereafter September Property, Zobrist Property, Sandoval Property and Gegen Property may be collectively referred to as "Plaintiffs' Properties").
- 5. The Plaintiffs' Properties are located in the Rosemere Estates subdivision ("Rosemere Subdivision" or "Subdivision") and are subject to the CC&R's recorded January 4, 1994 (the "CC&Rs").

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	6.	John	Allen	Lytle	and	Trudi	Lee	Lytle	are	the	Trustees	of	the	Lytle	Trust
(coll	ectively "	'Lytle '	Trust")	which	own	s that c	ertair	n reside	entia	l pro	perty kno	wn	as pa	arcel m	umbei
163-	03-313-0	09 (the	"Lytle	Prope	rtv").	. also lo	ocated	d in the	Ros	seme	re Subdiv	isio	n.		

- 7. In 2009, the Lytles filed suit against the Rosemere Association directly in the Eighth Judicial District Court, Case No. A-09-593497-C ("Rosemere Litigation I").
  - 8. None of the Plaintiffs were ever parties in the Rosemere Litigation I.
- 9. None of the Plaintiffs were a "losing party" in the Rosemere Litigation I as that term is found in Section 25 of the Original CC&Rs.
- 10. The Lytles obtained a Summary Judgment for Declaratory Relief from the District Court in the Rosemere Litigation I, which found and ruled as follows:
  - The Association is a limited purpose association under NRS 116.1201, is not a Chapter 116 "unit-owners" association," and is relegated to only those specific duties and powers set forth in Paragraph 21 of the Original CC&Rs and NRS 116.1201.
  - b. The Association did not have any powers beyond those of the "property owners committee" designation in the Original CC&Rs simply to care for the landscaping and other common elements of Rosemere Estates as set forth in Paragraph 21 of the Original CC&Rs.
  - c. Consistent with the absence of a governing body, the Developer provided each homeowner the right to independently enforce the Original CC&Rs against one another.
  - d. The Amended and Restated CC&Rs recorded with the Clark County Recorder's Office as Instrument No. 20070703-0001934 (the "Amended CC&Rs") are invalid, and the Amended CC&Rs have no force and effect.
- 11. Pursuant to NRS 116.1201(2) much of NRS Chapter 116 does not apply to the Association because it is a limited purpose association that is not a rural agricultural residential community.
- 12. After obtaining Summary Judgment in the Rosemere Litigation I, the Lytle Trust filed a Motion for Attorneys' Fees and Costs against the Association, and conducted a prove-up

hearing on damages. After hearing all matters, a Final Judgment was entered in the Lytle Trust's favor against the Association for \$361,238.59, which includes damages, attorneys' fees and costs (the "Final Judgment").

- 13. After obtaining the Attorneys' Fees Judgment, the Lytle Trust, on August 16, 2016, recorded with the Clark County Recorder's office an Abstract of Judgment referencing the Final Judgment against the Association, recorded as Instrument No. 20160818-0001198 (the "First Abstract of Judgment").
- 14. In the First Abstract of Judgment, the Lytle Trust listed the parcel numbers for all of the Plaintiffs' Properties as properties to which the First Abstract of Judgment and Final Judgment was to attach.
- 15. On September 2, 2016, the Lytle Trust recorded with the Clark County Recorder's office an Abstract of Judgment referencing the Final Judgment against the Association, recorded as Instrument No. 20160902-0002685 (the "Second Abstract of Judgment"). The Second Abstract of Judgment listed the parcel number of the Gegen Property only as the property to which the Judgment was to attach.
- 16. On September 2, 2016, the Lytle Trust recorded with the Clark County Recorder's office an Abstract of Judgment referencing the Final Judgment against the Association, recorded as Instrument No. 20160902-0002686 (the "Third Abstract of Judgment"). The Third Abstract of Judgment listed the parcel number of the September Trust Property only as the property to which the Judgment was to attach.
- 17. On September 2, 2016, the Lytle Trust recorded with the Clark County Recorder's office an Abstract of Judgment referencing the Final Judgment against the Association, recorded as Instrument No. 20160902-0002687 (the "Fourth Abstract of Judgment"). The Fourth Abstract

of Judgment listed the parcel number of the Zobrist Trust Property only as the property to which the Judgment was to attach.

- 18. In 2010, the Lytle Trust filed another suit against the Rosemere Association directly in Case No. A-10-631355-C ("Rosemere Litigation II"). The Lytle Trust did not name the Plaintiffs as Defendants in the Rosemere Litigation II.
- 19. On or about November 14, 2016, the Lytle Trust was granted Summary Judgment against the Rosemere Association.
- 20. On or about July 20, 2017, the District Court signed an Abstract of Judgment in the amount of \$1,103,158.12. ("Rosemere Judgment II").
  - 21. The Plaintiffs were not named parties in the Rosemere II Litigation.
- 22. On or about April 2, 2015, the Lytle Trust filed a third case (Case No. A-15-716420-C) against the Association and named as Defendants Sherman L. Kearl ("Kearl") and Gerry G. Zobrist ("Zobrist") ("Rosemere Litigation III"). On April 8, 2015, the Lytles filed an Errata to the Complaint amending it so that all references to Kearl and Zobrist were taken out of the Complaint.
- 23. On or about September 13, 2017, the Court in the entered its Order granting Summary Judgment for Declaratory Relief as against the Association ("Rosemere Judgment III). On November 8, 2017, the Rosemere Litigation III Court granted a Motion for Attorney's Fees and Costs.
- 24. On February 24, 2017, the Boulden Trust, owner of Parcel No. 163-03-313-008 in the Rosemere Subdivision, and the Lamothe Trust, owner of Parcel No. 163-03-313-002 in the Rosemere Subdivision, filed a Motion for Partial Summary Judgment in this Court in this Case, Case No. A-16-747900-C.

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	25.	This Court granted the Boulden Trust's and Lamothe Trust's Motion for Partial
Sumr	nary Judį	gment, and on July 25, 2017, entered its Order Granting Motion to Alter or Amend
Findi	ngs of Fa	act and Conclusions of Law ("Order").

- 26. In its Order, the Court found that, among other things, the Association is not subject to NRS 116.3117, the Boulden Trust and Lamothe Trust were not parties to the Rosemere Litigation, the Rosemere Judgment I (referred to as the "Rosemere LP Litigation" in the Order) is not an obligation or debt of the Boulden Trust or the Lamothe Trust and that the Abstracts of Judgment were improperly recorded against their properties and must be expunged and stricken from the record.
- 27. After the Court issued its Order, the Lytles released their liens against the Boulden Trust and Lamothe Trust properties.
- 28. On February 21, 2018, Case No. A-17-765372-C was consolidated with Case No. A-16-747900-C.

### **CONCLUSIONS OF LAW**

- 1. The Court's prior Order with respect to Boulden Trust's and Lamothe Trust's Motion for Partial Summary Judgment, Case No. A-16-747900-C, is the law of the case, to the extent applicable to Plaintiffs' claims.
- 2. The Association is a "limited purpose association" as referenced in NRS 116.1201(2).
- 3. As a limited purpose association, NRS 116.3117 is not applicable to the Association.
- 4. As a result of the Rosemere Litigation I, the Amended CC&Rs were judicially declared to have been improperly adopted and recorded, the Amended CC&Rs are invalid and have no force and effect and were declared *void ab initio*.

The Plaintiffs were not parties to the Rosemere Litigation I, Rosemere Litigation
 II or Rosemere Litigation III.

- 6. The Plaintiffs were not "losing parties" in the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III as per Section 25 of the Original CC&Rs.
- 7. Rosemere Judgments I, II and III in favor of the Lytle Trust, are not against, and are not an obligation of the Plaintiffs to the Lytle Trust.
- 8. Rosemere Judgments I, II and III are against the Association and are not an obligation or debt owed by the Plaintiffs to the Lytle Trust.
- 9. The First Abstract of Judgment recorded as Instrument No. 20160818-0001198 was improperly recorded against the Plaintiffs' Properties and constitutes a cloud against each of the Plaintiffs' Properties.
- 10. The Second Abstract of Judgment recorded as Instrument No. 20160902-0002685 was improperly recorded against the Gegen Property and constitutes a cloud against the Gegen Property.
- 11. The Third Abstract of Judgment recorded as Instrument No. 20160902-0002686 was improperly recorded against the September Trust Property and constitutes a cloud against the September Trust Property.
- 12. The Fourth Abstract of Judgment recorded as Instrument No. 20160902-0002687 was improperly recorded against the Zobrist Trust Property and constitutes a cloud against the Zobrist Trust Property.

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### <u>ORDER</u>

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

IT IS HEREBY ORDERED ADJUDGED AND DECREED that Plaintiffs' Motion for Summary Judgment is GRANTED.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust's Countermotion for Summary Judgment is DENIED.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust improperly clouded the title to the September Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust improperly clouded the title to the Zobrist Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust improperly clouded the title to the Sandoval Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust improperly clouded the title to the Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the First Abstract of Judgment recorded as Instrument No. 20160818-0001198 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Second Abstract of Judgment recorded as Instrument No. 20160902-0002685 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

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IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Third Abstract of Judgment recorded as Instrument No. 20160902-0002686 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Fourth Abstract of Judgment recorded as Instrument No. 20160902-0002687 in the Clark County Recorder's Office is hereby expunged and stricken from the records of the Clark County Recorder's Office.

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

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

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is hereby ordered to release the First Abstract of Judgment, the Second Abstract of Judgment, the Third Abstract of Judgment and the Fourth Abstract of Judgment recorded with the Clark County Recorder within ten (10) days after the date of Notice of Entry of this Order.

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1	IT IS SO ORDERED.	
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3	Dated this day of May, 2018.	
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5		DISTRICT COURT JUDGE
6	Submitted by:	
7		
8	CHRISTENSEN JAMES & MARTIN	
9	Wesley J. Smith, Esq.	
10	Nevada Bar No. 11871 Laura J. Wolff, Esq.	
11	Nevada Bar No. 6869 7440 W. Sahara Ave.	
12	Las Vegas, NV 89117 Attorneys for Plaintiffs September Trust,	
13	Zobrist Trust, Sandoval Trust, and Dennis & Julie Gegen	
14		
15	Approved as to Form and Content by:	
16	FIDELITY NATIONAL LAW GROUP	FOLEY & OAKES, P.C.
		ŕ
17	CHRISTINA H. WANG, ESQ.	DANIEL T. FOLEY, ESQ.
17 18	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078
	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101
18	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross- Claimants Robert & Yvonne Disman	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
18 19	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter-
18 19 20	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-Claimants Robert & Yvonne Disman GIBBS GIDEN LOCHER TURNER	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
18 19 20 21	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-Claimants Robert & Yvonne Disman GIBBS GIDEN LOCHER TURNER	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
18 19 20 21 22	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-Claimants Robert & Yvonne Disman GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP  RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592 TIMOTHY P. ELSON, ESQ.	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
18 19 20 21 22 23	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-Claimants Robert & Yvonne Disman GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP  RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592 TIMOTHY P. ELSON, ESQ. Nevada Bar No. 11559 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
18 19 20 21 22 23 24	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-Claimants Robert & Yvonne Disman GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP  RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592 TIMOTHY P. ELSON, ESQ. Nevada Bar No. 11559	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
18 19 20 21 22 23 24 25	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-Claimants Robert & Yvonne Disman GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP  RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592 TIMOTHY P. ELSON, ESQ. Nevada Bar No. 11559 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144 Attorneys for Defendants/Counter-	DANIEL T. FOLEY, ESQ. Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust

1	IT IS SO ORDERED.	
2		
3	Dated this day of May, 2018.	
4		
5		DISTRICT COURT JUDGE
6	Submitted by:	
7		
8	CHRISTENSEN JAMES & MARTIN	
9	Wesley J. Smith, Esq.	
10	Nevada Bar No. 11871 Laura J. Wolff, Esq.	
11	Nevada Bar No. 6869 7440 W. Sahara Ave.	
12	Las Vegas, NV 89117 Attorneys for Plaintiffs September Trust,	
13	Zobrist Trust, Sandoval Trust, and Dennis & Julie Gegen	
14		
15	Approved as to Form and Content by:	
16	FIDELITY NATIONAL LAW GROUP	FOLEY & OAKES, P.C.
17	CHRISTINA H. WANG, ESQ.	DANIEL T. FOLEY, ESQ.
18	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120	Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street
19	Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-	Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter-
20	Claimants Robert & Yvonne Disman	Defendants/Cross-Defendants Boulden Trust and Lamothe Trust
21	GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP	and Edinotho Trust
22	RICHARD E. HASKIN, ESQ.	
23	Nevada Bar No. 11592 TIMOTHY P. ELSON, ESQ.	
24	Nevada Bar No. 11559 1140 N. Town Center Drive, Suite 300	
25	Las Vegas, Nevada 89144 Attorneys for Defendants/Counter-	
26	Claimants Lytle Trust	
27		
28		
		-11-

Case Number: A-16-747900-C Case Name: Marjorie B. Bouldon U. Trusti Lee Lythe

1	IT IS SO ORDERED.	
2		
3	Dated this 22 day of May, 2018.	
4		
5		DISTRICT COURT JUDGE
6	Submitted by:	L. K.
7	·	
8	CHRISTENSEN JAMES & MARTIN	
9	Wesley J. Smith, Esq.	
10	Nevada Bar No. 11871 Laura J. Wolff, Esq.	
11	Nevada Bar No. 6869 7440 W. Sahara Ave.	
12	Las Vegas, NV 89117 Attorneys for Plaintiffs September Trust,	
13	Zobrist Trust, Sandoval Trust, and Dennis & Julie Gegen	
14		
15	Approved as to Form and Content by:	
16	FIDELITY NATIONAL LAW GROUP	FOLEY & OAKES, P.G.
17	CHRISTINA H. WANG, ESQ.	DANIEL T. FOLEY, ESQ
18	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120	Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street
19	Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-	Las Vegas, Nevada 89101 Attorneys for Plaintiffs/Counter-
20	Claimants Robert & Yvonne Disman	Defendants/Cross-Defendants Boulden Trust
21	GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP	and Lamothe Trust
22		
23	RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592	
24	TIMOTHY P. ELSON, ESQ. Nevada Bar No. 11559	
25	1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144	
26	Attorneys for Defendants/Counter- Claimants Lytle Trust	
27		
28		

1	IT IS SO ORDERED.	
2		
3	Dated this 22 day of May, 2018.	
4		of a ve
5		DISTRICT COURT JUDGE
6	Submitted by:	
7		
8	CHRISTENSEN JAMES & MARTIN	
9	Wesley J. Smith, Esq.	
10	Nevada Bar No. 11871 Laura J. Wolff, Esq.	
11	Nevada Bar No. 6869 7440 W. Sahara Ave.	
12	Las Vegas, NV 89117 Attorneys for Plaintiffs September Trust,	
13	Zobrist Trust, Sandoval Trust, and Dennis & Julie Gegen	
14		
15	Approved as to Form and Content by:	
16	FIDELITY NATIONAL LAW GROUP	FOLEY & OAKES, P.C.
17	CHRISTINA H. WANG, ESQ.	DANIEL T. FOLEY, ESQ.
18	Nevada Bar No. 9713 8363 W. Sunset Road, Suite 120	Nevada Bar No. 1078 626 S. 8 <sup>th</sup> Street
19	Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross-	Las Vegas, Nevada 89101
20	Claimants Robert & Yvonne Disman	Attorneys for Plaintiffs/Counter- Defendants/Cross-Defendants Boulden Trust
21	GIBBS GIDEN LOCHER TURNER SENET & WILTBROOT LLP	and Lamothe Trust
22		
23	RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592	
24	TIMOTHY P. ELSON, ESQ. Nevada Bar No. 11559	
25	1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144	
26	Attorneys for Defendants/Counter- Claimants Lytle Trust	
27		
28		

# EXHIBIT O

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6/8/2018 11:55 AM Steven D. Grierson 000639

Plaintiff's Property was previously owned by J. Allen Lytle and Trudi L. Lytle, the current Trustees of the Lytle Trust, having been purchased by deed recorded November 15, 1996.

- 2. Defendant ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION ("Defendant" or the "Association"), at all times herein mentioned is a common interest community and comprised of nine (9) owners of single family lots, eight of which are developed, all as more particularly described in the recorded Declaration of Covenants, Conditions and Restrictions, dated January 4, 1994 (the "CC&Rs") for the Association, as recorded in the official records of the Clark County Nevada Recorder's office. A true and correct copy of the CC&Rs is attached hereto, and incorporated herein, as Exhibit "1."
- 3. Defendants DOES 1 through 20, inclusive, are sued herein under fictitious names, their true names and capacities being unknown to Plaintiff but are believed to reside in the State of Nevada; Plaintiff will ask leave of Court to amend its Complaint by inserting their true names and capacities in the place and stead of said fictitious names when the same have been ascertained.
- 4. Defendants ROE CORPORATIONS 1 through 80, inclusive, are sued herein under fictitious names, their true names and capacities being unknown to Plaintiff but are believed to be corporations or other entities authorized to conduct business in the State of Nevada; Plaintiff will ask leave of Court to amend its Complaint by inserting their true names and capacities in the place and stead of said fictitious names when the same have been ascertained.
- 5. Plaintiff is informed and believes and based upon such information and belief alleges that each Defendant designated herein as DOES 1 through 20, inclusive, and ROE CORPORATIONS 1 through 80, inclusive (collectively the "DOE and ROE DEFENDANTS"), is responsible in some way and/or manner for the acts and occurrences herein alleged, whether such acts and occurrences were committed intentionally, negligently, recklessly or otherwise, and that each DOE and ROE Defendant is subject to Plaintiff's relief or are involved as otherwise alleged herein.
- 6. At all times mentioned herein, each of the Defendants was the agent and employee of each of the remaining Defendants, and was, in doing the things herein complained of, acting within the course and scope of such agency and employment or are otherwise in privity as alleged herein.

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7. The CC&Rs and obligations sued upon herein were to be and was executed and performed in Clark County, Nevada. Further, the property at issue that gave rise to this action is located Clark County, Nevada. As such, venue is proper in this Court.

### **GENERAL ALLEGATIONS**

- 8. Plaintiff's Property is located within the Association and as such is part of the Association.
- 9. The Association is a common interest community and, more specifically, a *limited* purpose association pursuant to NRS 116.1201.
  - 10. The CC&Rs provide, in pertinent part:
    - a) Establishment of a "property owners committee" responsible for (a) determining the type and cost of landscaping exterior wall planters, entrance way planters, which cost is equally divided amongst the nine (9) owners; (b) maintaining the exterior perimeter and frontage; (c) maintaining the entrance gate; and (d) maintaining the private drive and the sewer system.
    - b) "...an owner or owners of any of the lots shall have the right to enforce any or all of the provisions of the covenants, conditions and restrictions upon any other owner or owners."
- 11. Pursuant to the direction of the CC&Rs, the Association formed the "Owners' Committee" tasked with maintaining the common elements pursuant to the CC&Rs.
- 12. On February 25, 1997, the "owners' committee" (as referenced in paragraph 21 of the CC&Rs) formed the Association on behalf of and with the consent of all owners, which is a non-profit corporation organized under Chapter 82 of the Nevada Revised Statutes. The owners' committee named the corporation "Rosemere Estates Property Owners Association."
- 13. The Association at all times has been governed by a three (3) person Board of Directors, consisting of a President, Secretary and Treasurer.

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- 14. The Association consistently held Board elections through March 2010, pursuant to the protocols and methodology of NRS 116.31034, even though the Association is a limited purpose association and Chapter 116 does not provide for a method of election of a Board for a limited purpose association.
- 15. The Board last held an election on March 24, 2010. The Board members in place from 2010 through July 2013 were as follows: Ray Sandoval (President), Orville McCumber (Secretary), and Johnnie McCumber (Treasurer).
- 16. On January 27, 2014, during an unrelated court hearing involving the Association, Orville McCumber, former Board Secretary, testified under oath that he no longer sat on the Association's Board. In August 2015, Ray Sandoval, former Board President, told Plaintiff that the Board "dissolved" and had not conducted any business since July 29, 2013. During this conversation, Mr. Sandoval stated that the Board had not conducted any meetings since July 2013, and did not intend on conducting any future meetings or conducting any future Association business. It was abundantly clear from this conversation that the Board simply does not exist, and all former officers abandoned their positions.
- 17. Presently, there is no sitting and acting Board for the Association, even though such a board is required.
- 18. Thereafter, the Lytles filed a legal action in the Eighth Judicial District Court of Nevada, Case No. A-15-716420-C (the "Prior Lawsuit") to require the Association to hold an election. In the Prior Lawsuit, the Court held that the Association was required to hold an election pursuant to NRS 82.271, 82.276, and 82.306. Despite a ruling requiring the election, the Association has not done so as no neutral third party will agree to handle the election due to the Association lacking funds to compensate the third party in advance of the election.
- 19. As a result of not having a Board, the Association cannot conduct business and maintain the community as required by the CC&RS and Chapters 82 and 116 of the Nevada Revised Statutes. Therefore, the Rosemere Estates Community has begun to dilapidate.

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- 20. Despite having an obligation to do so, the Association is not: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; and 4) maintaining the private drive and sewer system. This has resulted on the dilapidation of the Rosemere Estates Community.
- 21. Further, the Association has not paid known creditors of the Association, which includes, but is not limited to, the annual dues to the Nevada Secretary of State or the Nevada Department of Real Estate or the Lytles, which hold multiple judgments against the Association.
  - 22. As it stands, the Association is in "default" status with the Nevada Secretary of State.
- 23. It is also unknown at this time to Plaintiff or other Association members who possesses the Association's checkbook and is maintaining the Association's business and attorney-client records.
- 24. A neutral third party needs to be put in place immediately to hold an election and to handle day-to-day activities until a Board can commence the maintenance and handle the day-day-to affairs of the Association.

# FIRST CAUSE OF ACTION

# (Declaratory Judgment against Defendants)

- 25. Plaintiff repeats and re-alleges the preceding paragraphs as though fully set forth herein and incorporates the same herein by reference.
- 26. Pursuant to NRS 30.040, this Court is empowered to declare the rights of parties as to the Association's obligations to maintain Subject Property.
- 27. Plaintiff requests that this Court declare that the Association must continue to operate as required by the CC&Rs and Chapters 82 and 116 of the Nevada Revised Statutes, which includes, but is not limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity against any homeowners that have failed to pay their assessments; 7) paying known creditors of the Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the HOA funds to pay all known creditors assessing; and 9) any other activity required under

Nevada law.

- 28. Plaintiffs bring this action pursuant to NRS 116.4117(2)(b).
- 29. As such, an order from this Court is appropriate that the Association must conduct the above-referenced activity.

#### SECOND CAUSE OF ACTION

### ((For Breach of Contract / Easement Agreement Against All Defendants)

- 30. Plaintiff repeats and re-alleges the preceding paragraphs as though fully set forth herein and incorporates the same herein by reference.
- 31. Pursuant to the CC&Rs, as well as other Nevada law, the Association was required to maintain the Rosemere Estates Community and handle the day to day activities required of the Association, as specified in more detail throughout this Complaint.
- 32. The Association breached the CC&Rs, as well as other Nevada law, by failing to maintain the Rosemere Estates Community and handle the day to day activities, which includes, but is no limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity against any homeowners that have failed to pay their assessments; 7) paying known creditors of the Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the HOA funds to pay all known creditors assessing; and 9) any other activity required under Nevada law.
  - 33. Plaintiff, at all times, performed under the CC&Rs.
  - 34. Plaintiff, at all times, substantially complied with all provisions contained therein.
- 35. Plaintiff alleges that the terms of the CC&Rs, as well as the other obligations under Nevada law, are definite and certain between the parties.
- 36. Plaintiff is informed and believes that certain remedies at law are inadequate because, for example, the Association failed and continues to fail to handle its obligations under the CC&Rs, as well as Nevada law. Monetary damages will not make Plaintiff whole for these types of damages. Plaintiff seeks specific performance to prevent these types of violations from occurring moving

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- 37. Plaintiff tendered performance under the CC&Rs, as well as other Nevada law.
- 38. Plaintiff respectfully requests that this Court make an order requiring specific performance and believes the Court will do so given the facts plead herein.
  - 39. Plaintiff is informed and believes that it is entitled to the relief demanded herein.
- 40. Plaintiff is informed and believes that the Association is violating and will continue to violate certain provisions in the CC&Rs, as well as Nevada law, as more specifically set forth above.
- 41. The Association's actions will continue to violate Plaintiff's rights respecting the subject of this action, and will tend to render the judgment ineffectual.
- If the Association continues to commit these types of violations, Plaintiff will suffer 42. great or irreparable injury.
  - Plaintiff has demonstrated a likelihood of success on the merits. 43.
- 44. Plaintiff has demonstrated a reasonable probability that if the Association's conduct continues, Plaintiff will suffer irreparable harm for which there is an inadequate remedy at law.
- 45. Plaintiff has demonstrated that the threatened injury to it in absence of an injunction outweighs any potential harm that the injunction may cause the Association.
- 46. Plaintiff has demonstrated that the granting of an injunction is not contrary to the public interest.
- 47. Plaintiff respectfully requests that this Court make an order precluding the Association from continuing to breach the CC&Rs, as well as Nevada law, for all violations in which there is not an adequate remedy at law until this matter is resolved.
- 48. It has been necessary for Plaintiff to retain the services of counsel to represent them and to bring this action, and Plaintiff is entitled to recover attorneys' fees and costs incurred herein.

### PRAYER FOR RELIEF

Plaintiff responsibly requests the Court grant the following relief:

1. For an Order declaring that the Association must continue to operate as required by the CC&Rs and Chapters 82 and 116 of the Nevada Revised Statutes, which includes, but is not limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior

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perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer
system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity
against any homeowners that have failed to pay their assessments; 7) paying known creditors of the
Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the
HOA funds to pay all known creditors assessing; and 9) any other activity required under Nevada
law.

- For specific performance requiring the Association to comply with the CC&Rs, as 2. well as other Nevada law, with respect to the Association's maintenance and day-to-day activities;
- For injunctive relief preventing the Association from violating the terms of the 3. CC&RS, as well as other Nevada law, moving forward;
- For appointment of a receiver to handle the maintenance obligations and day-to-day 4. activities, including the financial activities regarding assessments and creditors, until a duly constituted board may be instituted and power transitioned thereto;
  - For reasonable attorneys' fees; 5.
  - 6. For costs of suit and litigation; and
  - For such other and further relief as the Court deems just and proper 7.

DATED: June 🎸 , 2018

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LI

By

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

1140 N. Town Center Drive, Suite 300

Las Vegas, Nevada 89144

Attorneys for Plaintiff

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS

TRUSTEES OF THE LYTLE TRUST

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# EXHIBIT P

# RECEIVERSHIP SPECIALISTS

STATE AND U.S. FEDERAL COURT RECEIVERS/TRUSTEES

January 22, 2020

To: Mr. & Mrs. Disman

1960 Rosemere Ct. Las Vegas, NV 89117

From: Kevin Singer

Receivership Specialists

RE: Receivership Over Rosemere Estates Property Owners Association

Dear Mr. & Mrs. Disman:

My name is Kevin Singer and I have been appointed by the District Court of Clark County as the neutral District Court Receiver ("Receiver") over your homeowner's association (HOA). Attached as "Exhibit 1" is my appointing order for you to review. My intention is to work with the HOA and its members, not against.

The appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff"). The Lytle's own lot 9 in Rosemere Estates. These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments.

We would like to meet with the title holding members of the HOA on February 1, 2020, at 9:30 am at the mailboxes of Rosemere Estates to introduce ourselves, go over the Court's Order and share three ideas we have to pay these judgments. It would be appreciated if someone volunteered their home for the meeting. This will not be an HOA meeting and we will not be conducting HOA business at this meeting.

In the meantime, we welcome a conversation with you regarding the current care and maintenance of the community. We are seeking to know the following:

- 1) Who is currently leading the HOA?
- 2) How much are the HOA dues per home per month?
- 3) Who does the HOA bank with? Provide evidence of bank statements.
- 4) Are there any insurances in place for the HOA?
- 5) A list of all vendors servicing the property for landscaping and your gate, etc.

Corporate Headquarters Los Angeles 11500 W. Olympic Blvd. Suite 530 Los Angeles, CA 90064 Tel: (310) 552-9064 Fax: (310) 552-9066

San Francisco
795 Folsom Street
1st Floor
San Francisco, CA 94107
Tel: (415) 848 2084

Tel: (415) 848-2984 Fax: (415) 848-2301

San Diego 4660 La Jolla Village Drive Suite 100 San Diego, CA 92122 Tel: (858) 546-4815 Fax: (858) 646-3097

Sacramento 980 9th Street 16th Floor Sacramento, CA 95814 Tel: (916) 449-9655 Fax: (916) 446-7104

Las Vegas 7251 W. Lake Mead Blvd. Suite 300 Las Vegas, NV 89128 Tel: (702) 562-4230 Fax: (702) 562-4001

Reno 200 S. Virginia Street Suite 800 Reno, NV 89501 Tel: (775) 398-3103 Fax: (775) 686-2401

Phoenix 2 N. Central Avenue Suite 1800 Phoenix, AZ 85004 Tel: (602) 343-1889 Fax: (602) 343-1801 Lastly, since my appointment on December 18, 2019, I have put the HOA back into good standing with the Nevada Real Estate Division and the Nevada Secretary of State. See "Exhibits 2 & 3" showing good standing.

If you have any questions or any information you would like to communicate to me, please call or e-mail my associate Scott Yahraus at (702) 562-4230, <a href="mailto:Scott@ReceivershipSpecialists.com">Scott@ReceivershipSpecialists.com</a>. All homeowners will be receiving this correspondence.

Respectfully Yours;

Kevin Singer

Clark County District Court Receiver

Case: A-18-775843-C

# EXHIBIT 1

Electronically Filed 12/18/2019 9:33 AM Steven D. Grierson CLERK OF THE COURT

NEOJ
Richard E. Haskin, Esq.
Nevada State Bar # 11592
GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP
1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144-0596
(702) 836-9800

Attorneys for Plaintiff

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

#### DISTRICT COURT

### CLARK COUNTY, NEVADA

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

Plaintiff,

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

Defendants.

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

NOTICE OF ENTRY OF ORDER APPOINTING A RECEIVER OF DEFENDANT ROSEMERE PROPERTY OWNERS ASSOCIATION

NOTICE IS HEREBY GIVEN that on the 18th day of December, 2019, a ORDER

# APPOINTING A RECEIVER OF DEFENDANT ROSEMERE PROPERTY OWNERS

ASSOCIATION was entered in the above-entitled matter, a copy of which is attached hereto.

DATED: December 18, 2019

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

By: Richard E. Haskin
Richard E. Haskin, Esq.
Nevada State Bar # 11592
1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144
Attorneys for Plaintiff
TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS
TRUSTEES OF THE LYTLE TRUST

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

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

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

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

# DISTRICT COURT

### CLARK COUNTY, NEVADA

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

Plaintiff,

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

Defendants.

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

[PROPOSED] ORDER APPOINTING A RECEIVER OF DEFENDANT ROSEMERE PROPERTY OWNERS ASSOCIATION

On December 3, 2019, at 9:00 a.m. in Department XXXI of the above-caption Court, Plaintiff TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST (hereinafter the "Lytle Trust"), Renewed Application for Appointment of a Receiver came on for hearing. No one appeared for Defendant ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION (the "Association"), which has been defaulted in this case due to its failure to appear.

After reviewing the Lytle Trust's Application for Appointment of a Receiver and considering additional argument at the hearing, the Court makes the following Order:

IT IS ORDERED that the Lytle Trust's Application for Appointment for Receiver is granted pursuant to NRS 32.010(1) and NRS 82.476. A Receiver shall be appointed for the Association which consists of the following properties: APN 163-03-313-001; APN 163-03-313-002; APN 163-

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(M) (25°(11°-40), 20)

03-313-003; APN 163-03-313-004; APN 163-03-313-005; APN 163-03-313-006; APN 163-03-313-007; APN 163-03-313-008; and APN 163-03-313-009.

Receiver in this action, subject to the condition that before entering upon his duties as Receiver, he shall execute a receiver's oath and post a bond from an insurer in the sum of \$5,000.00, conditioned upon faithful performance of his duties as receiver herein. The Receiver's oath and bond are to be filed in Department XXXI no later than December 1. Prioreto Receiver posting his bond, Plaintiffs shall advance \$5,000.00 to the Receiver to cover his cost to post a bond and initial fees and expenses. The Receiver shall reimburse Plaintiff's advance through an Association assessment or dues.

IT IS FURTHER ORDERED that the Receiver is directed by this Court to do the following specific acts pursuant to NRS 32.255 which provides the Court, when appointing a receiver, "exclusive jurisdiction to direct the receiver and determine any controversy related to the receivership or receivership property:"

- 1. Immediately take possession and control of the Association's financial accounts, including locating all checkbooks, and ledgers, and other Association records and documents including, but not limited to, budgets, reserve studies, insurance policies and other effects of the Association Accounts.
- 2. Issue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association.
- 3. Pay NRED for mandatory registration pursuant to NRS 116.31155, and if there are insufficient funds within the Association's accounts to pay such fees, issue a special assessment to all owners within the Association to satisfy any amounts due to NRED.
  - 4. Update registration with the ombudsman pursuant to NRS 116.31158.
- 5. Pay the Secretary of State for the State of Nevada all past due and presently due amounts to amend the Association's status from "revoked" status, and if there are insufficient funds within the Association's accounts to pay such fees, issue and collect a special assessment to all owners within the Association to satisfy any amounts due to Secretary of State.

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- Conduct an election for the Board of Directors for the Association. 6.
- 7. Make any necessary repairs to the common areas, and if there are insufficient funds within the Association's account to pay for such repairs, issue and collect a special assessment to all owners within the Association to pay for said repairs.
- Issue and collect a special assessment to the Association membership to pay the 8. receiver's fees and costs.
- 9. Exercise any power set forth in NRS 32.290, NRS 32.295, NRS 32.315, and NRS 32.320.
- 10. The Receiver shall have all power and authority of a receiver provided by law, including the following powers and responsibilities:
  - a. The Receiver is authorized and empowered to operate, manage, control, conduct, care for, preserve, and maintain the Receivership Estate ("Receivership Estate" is defined as the Association and all operations of the Association). In this regard the Receiver shall be authorized to manage, operate and make all decisions on behalf of the Association.
  - b. The Receiver may change the locks on the doors providing access and access to the common areas and management office, so long as this does not interfere with Association owner's and resident's access to their units in the Property, and to do all things which he deems necessary to protect the Receivership Estate.
  - c. The Receiver is authorized to take possession of the Receivership Estate and scize, manage and control the Receivership Estate, whether in the possession of the Association's board of directors and/or officers, past or present members of the board of directors or officers, or any company contracted to provide services to the Association, including common area services.
  - d. The Receiver is further authorized to take possession of and collect any accounts, chattel paper and general intangibles of every kind hereafter arising out of the Receivership Estate and take possession of all the books and records relating to the foregoing, wherever located, as the Receiver deems necessary for the proper

- administration of the Receivership Estate.
- e. The Receiver is authorized and empowered to enter, gain access to take possession of and manage all Association Accounts wherever located pending discharge, including the power to demand any and all records from the any and all banks and other financial institutions holding present and past Association Accounts.
- f. The Receiver shall preserve and protect the assets, tax records, books and records where located while he acts to operate the affairs of the Association.
- g. The Receiver is authorized to review all Accounts of the Association for all expenditures and collections. Also, the Receiver is authorized to review the current active account statements, contracts, invoices, and materials prepared by or regarding any third party (past or present) who provided services to the Association.
- h. The Receiver is authorized and empowered to execute and prepare all documents and to perform all acts, either in the name of the Association, as applicable, or in the Receiver's own name, which are necessary or incidental to preserving, protecting, managing and/or controlling the Receivership Estate while the Receiver operates the business of the Association. In particular, the Receiver shall have the authority without limitation to immediately cancel, extend, modify or enter into any existing or new contracts or leases necessary to operate the Receivership Estate.
- i. The Receiver is authorized and empowered to demand, collect and receive all monies, funds and payments arising from or in connections with any sale and/or lease of any assets of the Receivership Estate, as well as monthly payments of mortgage debt service, maintenance fees, dues, assessments and other fees from Association unit owners, including fees paid directly to any person or entity managing any portion of the Property on the Association's behalf.
- j. The Receiver may take any and all steps necessary to receive, collect and review all mail addressed to or on behalf of the Association, received at any address by any owner or board member on behalf of the Association, or any post office boxes held in the name of the Association, and the Receiver is authorized to instruct the U.S.

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Postmaster to re-route, hold, and/or release said mail to said Receiver.

- k. The Receiver may take possession of all Association Accounts and safe deposit boxes of the Association and accounts as they pertain to the assets, wherever located and receive possession of any money on deposit in said Association Accounts. The Receiver also has the authority to close any Association Account(s) that the Receiver deems necessary for operation or management of the Receivership Estate. Institutions that have provided banking or other financial services to the Association are instructed to assist the Receiver by providing records that he requests. These institutions may charge their ordinary rates for providing this service.
- The Receiver is empowered to use Association tax identification numbers and establish bank accounts at any bank or investment accounts at any financial institution the Receiver deems appropriate for the deposit of monies and funds collected and received in connection with his operation and management of the Receivership Estate. Any institutions that have Association Accounts and/or funds that are part of the Receivership Estate or the Association shall be turned over to the custody and control of the Receiver and that institution shall not be held liable for turnover of funds.
- m. To the extent feasible, the Receiver shall, within thirty (30) days of his qualification hereunder, file in this action an inventory of all property of which Receiver shall have taken possession pursuant to this Order and file monthly accountings thereafter,
- n. The Receiver, or any party to this action, may from time to time, and on due notice to all parties, make application to this Court on an ex parte basis or noticed motion for further orders instructing the Receiver.
- o. The Receiver is authorized to institute ancillary proceedings in this state or other states as is necessary to obtain possession and control of assets of the Association and the Receiver may engage the services of counsel with further court order. The Receiver may pay for such services from the funds of the Receivership Estate. The Receiver may hire legal counsel with further court order to institute such proceedings

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in this State or other	er states	as is	necessary	to	obtain	possession	and	control	of	asset
of the Association.										

- The Receiver is empowered to serve subpoenas when necessary with court approval.
- The Receiver has the authority to assess all Association unit owners to pay for any operation costs or to pay for judgments against the Association. If an Association member does not pay an assessment then the Receiver may proceed to foreclose on said members ownership interest in the property.
- The Receiver has authority to take any and all legal actions or remedies to make sure that Association unit owners pay their monthly debt service, maintenance fees, dues, assessments or other fees.
- 11. The Receiver shall also be entitled to perform the following:
  - Hire professionals, including accountants, paralegals, property managers, and attorneys, to aid and counsel the Receiver in performing his duties.
  - b. Hire contractors to evaluate and make repairs to the Property and other assets of the Receivership Estate.
  - c. Pay the fees and costs of any professional retained by the Receiver to aid him.
  - d. Pay such other and ordinary expenses deemed appropriate by the Receiver to carry out the Receiver's duties as specified herein.
  - e. Pay the Receiver's fees from the funds of the Receivership Estate.
  - The Receiver may use any federal tax payer identification numbers or apply for a new tax payer number relating to the Association for any lawful purposes and prepare tax returns if required.
- Monthly accounting of Receiver's income, expenses, and fees ("Receiver's Report"): 12.
  - The Receiver shall each month prepare and serve on the parties a narrative of what issues he is addressing, accounting of revenues and expenses incurred in the administration of the receivership.
  - The Receiver shall pay the Receiver's own fees of \$275 per hour, fees of his agents, and expenses using funds of the Receivership Estate. Upon completion of monthly

Receiver's Report, and the mailing of such statement to the parties' respective attorneys of record, or any other designated person or agent, and if no objection is received within 10 calendar days after the mailing of the interim statement. If a party fails to object within 10 days of receiving Receiver's fees and administrative costs and expenses in the monthly interim statement, they shall thereafter be barred from making an objection to Receiver's fees and administrative costs and expenses as reflected in said interim report;

- 13. Receiver's final report and discharge;
  - a. <u>Motion required</u>. Discharge of the Receiver shall require a Court order upon noticed motion for approval of the Receiver's final report and account and exoneration of the Receiver's bond.
  - b. <u>Time</u>. Not later than sixty (60) days after the receivership terminates the Receiver shall file, serve, and obtain a hearing date on a motion for discharge of the Receiver.
  - c. <u>Notice</u>. The Receiver shall give notice to all persons of whom the Receiver is aware who have potential claims against the receivership property.
  - d. Contents of Motion. The motion to approve the final report and account and for discharge of the Receiver shall contain the following:
    - Declaration or Declarations. (1) stating what was done during the receivership; (2) certifying the accuracy of the final accounting, and the basis for said accounting (3) stating the termination of the receivership (such as reinstatement); and (4) stating the basis for an order for the distribution of any surplus or payment of any deficit.
    - ii. Accounting Summary. A summary of the receivership accounting, which shall include: (1) the total revenues received; (2) the total expenditures identified and enumerated by major categories; (3) the net amount of any surplus or deficit; and (4) evidence of necessary supporting facts.
- 14. <u>Bankruptcy: Nominal Plaintiff's Duty to Give Notice</u>. If any party files a bankruptcy case during the receivership, the Association shall give notice of the bankruptcy case to the Court, to all parties, and to the Receiver three (3) business days after the day on which the Association

receives notice of the bankruptcy.

- 15. <u>Bankruptcy: Receiver's Duties</u>. If the Receiver receives notice that a bankruptcy has been filed and part of the bankruptcy estate includes property that is the subject of this Order, the Receiver shall have the following duties:
  - a. Turn over property if no relief from the stay will be sought. The Receiver shall immediately contact the party who obtained the appointment of the Receiver, and determine whether that party intends to move in the bankruptcy court for an order for (1) relief from the automatic stay, and (2) relief from the Receiver's obligation to turn over the property (11 U.S.C. § 542). If the party has no intention to make such a motion, the Receiver shall immediately turn over the property to the appropriate entity either to the trustee in bankruptcy if one has been appointed or, if not, to the debtor in possession-and otherwise comply with 11 United States Code § 543.
  - b. Remain in possession pending resolution. If the party who obtained the receivership intends to seek relief immediately from both the automatic stay and the Receiver's obligation to turn over the property, the Receiver may remain in possession and preserve the property pending the ruling on those motions (11 U.S.C. § 543(a)). The Receiver's authority to preserve the property shall continue as follows:
    - The Receiver may continue to collect monthly payments of mortgage debt service, maintenance fees, dues, assessments and other fees from Association unit owners;
    - The Receiver may make only those disbursements necessary to preserve and protect any and all accounts of the Receivership Estate.
  - c. Turn over property if no motion for relief is filed within fifteen (15) days after notice of the bankruptcy. If the party who obtained the receivership fails to file a motion within fifteen (15) court days after his or her receipt of notice of the bankruptcy filing, the Receiver shall immediately turn over the property to the appropriate entity either to the trustee in bankruptcy if one has been appointed or, if not, to the debtor in possession and otherwise comply with 11 United States Code §543.
  - d. Retain Bankruptcy Counsel. The Receiver may petition the Court to retain legal

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counsel to assist the Receiver with issues arising out of the bankruptcy proceedings.

IT IS FURTHER ORDERED that the board of directors and officers of the Association, any and all parties to this action, including any of their respective agents, servants, directors, assignees, successors, representatives, employees, and all persons or entities acting under, or in concert with them, or for them, are required to cooperate with the Receiver by providing documents, account records, statements, ledgers, check books, check book register, and any and all documents necessary for the Receiver to manage the affairs of the Receivership Estate. They are also required to pay any assessments which the Receiver imposes on the Association.

IT IS FURTHER ORDERED that receipt of this Order constitutes notice as contemplated in NRS 32,290.

IT IS FURTHER ORDERED that this Order shall remain in full force and effect until: (1) upon entry of an order by the Court finding good cause for removal of the Receiver, or (2) by further order of this Court.

IT IS FURTHER ORDERED, that the Court will maintain jurisdiction over this matter and over the Receiver so long as the Receiver is in place.

IT IS SO ORDERED. Dated this 13 day of December 2019,

Submitted by:

GIBBS GIDEN LOCHER TURNER

21 SENET & WITTBRODT LET

By: 23

Richard E. Haskin Esq. Nevada State Bay # 11592 24

Daniel M. Hansen, Esq. Nevada State Bar-#13886 25

1140 N. Town Center Drive, Suite 300

Las Vegas, Nevada 89144 26

Attorneys for Plaintiff

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS

TRUSTEES OF THE LYTLE TRUST

# EXHIBIT 2

SilverFlume Business Portal is available for use. Please replace your bookmark with this new URL: https://www.nvsilverflume.gov/

# ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION

# My Business Checklist

Nevada Business ID: NV19971112707 Entity Type: Domestic Nonprofit Corporation (82) Entity Status: Active

As you proceed, your filings \*auto-save\* to your Dashboard for later access.

Note: The filing of the formation documents or annual renewal includes the State Business License.

# Steps to License a Nevada Business

	* Articles of Incorporation - Non-Profit Corporation, List and State Business License ?	Active Exp: 02/28/2021
Coi	npleted: Pending: (*) is a required field	November 1

## Communication Preferences

✓ Monitor this business via email	2		
The same same same same same same same sam			

### Related Services

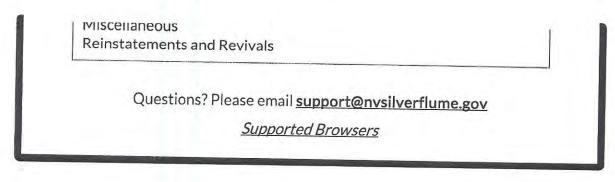
<u>Disadvantaged Business Resources (Optional)</u> NV Gender Equality in the Workplace Survey

Patriot Employer Program

Reserve a Web Domain

# Other Actions

Amendments
Cancellations, Dissolutions, Terminations, etc.
Domestications
Mergers, Exchanges, and Conversions



# **ENTITY INFORMATION**

# **ENTITY INFORMATION**

**Entity Name:** 

ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION

**Entity Number:** 

C3724-1997

**Entity Type:** 

Domestic Nonprofit Corporation (82)

**Entity Status:** 

Active

000664

Formation Date:

02/25/1997

NV Business ID:

NV19971112707

**Termination Date:** 

Perpetual

Annual Report Due Date:

2/28/2021

Solicits Charitable Contribution:

No

# REGISTERED AGENT INFORMATION

	RVILLE MCCUMBER	
Act	tive	
CR	A Agent Entity Type:	
Reg	gistered Agent Type:	
Nor	n-Commercial Registered Agent	
NV	Business ID:	
Offi	ice or Position:	
Jur	isdiction:	
Stre	eet Address:	
196	1 ROSEMERE CT, LAS VEGAS, NV, 89117, USA	
	ail Address:	
Mail	ing Address:	
Indi	vidual with Authority to Act:	
Con	tact Phone Number:	
Ficti	tious Website or Domain Name:	
PRINCI	PAL OFFICE ADDRESS	
Addr	ess:	
Mailir	ng Address:	

			Last	
Title	Name	Address	Updated	Statu
President	KEVIN SINGER - COURT RECEIVER	7251 W. LAKE MEAD BLVD. #300, Las Vegas, NV, 89128, USA	01/21/2020	Active
Secretary	KEVIN SINGER - COURT RECEIVER	7251 W. LAKE MEAD BLVD. #300, Las Vegas, NV, 89128, USA	01/21/2020	Active
Treasurer	KEVIN SINGER - COURT RECEIVER	7251 W. LAKE MEAD BLVD. #300, Las Vegas, NV, 89128, USA	01/21/2020	Active
Director	KEVIN SINGER - COURT RECEIVER	7251 W. LAKE MEAD BLVD. #300, Las Vegas, NV, 89128, USA	01/21/2020	Active
Page 1 of	1, records 1 to 4 of 4			
CURREN <sup>*</sup>	Γ SHARES			
Class/Serie	es Type	Share Number	Value	***************************************
		No records to view.		
Number o	f No Par Value Shares:			
Number o	f No Par Value Shares:			
0	f No Par Value Shares: orized Capital:			
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Return to Search

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Return to Results

# EXHIBIT 3

#### Policy 09-01

NRS 116.31155 [8]: Upon the payment of the fees and any administrative penalties and interest required by this section, the Administrator shall provide to the association or master association evidence that it paid the fees and the administrative penalties and interest in compliance with this section.

The Office of the Ombudsman for Common-Interest Communities and Condominium Hotels will provide a receipt to each association or to the master association that is required to submit the annual \$3,00 unit fee.

Beginning July 1, 2008, a certificate of good standing will be provided to each association, at the mailing address on record with the office, after receipt of both the annual unit fees and registration form. The certificate will contain the association's name, master association's name (if applicable), Secretary of State filling number, number of current units, county, and the registration renewal date. The certificate must be displayed in a prominent place.

Definition of "prominent place"; an area that can be accessible by the public at their request during business hours; conspicuously; noticeable

DEPARTMENT OF BUSINESS AND INDUSTRY REAL ESTATE DIVISION
OFFICE OF THE OMBUDSMAN
3300 W. Sahara Ave., Suite 350
Las Vegas, Nevada 89102
(702) 486-4480 • Fax (702) 486-4520
CICOmbudsman@red.nv.gov
www.red.nv.gov

State of Nevada Department of Business and Industry Real Estate Division

000668

#### HOMEOWNERS' ASSOCIATION RENEWAL REGISTRATION CERTIFICATE ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION

3	724-1997
Number of units	County Clark
ramber of units	

This shall serve as proof of renewal registration with the Office of the Ombudsman for Common-Interest Communities and Condominium Hotels as mandated by Nevada Revised Statutes (NRS) chapters 78, 82, 87 and 88.

This certification expires 02/28/2020

# EXHIBIT Q

**Electronically Filed** 000670 3/4/2020 5:07 PM Steven D. Grierson CLERK OF THE COURT

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TRUST, et al.,

OL9000 CHRISTENSEN JAMES & MARTIN 7440 West Sahara Ave., Las Vegas, Nevada 89117

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

### CHRISTENSEN JAMES & MARTIN

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

7440 W. Sahara Avenue Las Vegas, Nevada 89117 Tel.: (702) 255-1718

Facsimile: (702) 255-0871 Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com 6 Attorneys for September Trust, Zobrist Trust, Sandoval Trust,

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

Defendants.

and Dennis & Julie Gegen

### EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA		
MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, et al.,	Case No.: A-16-747800-C Dept. No.: XVI	
Plaintiffs,	PLAINTIFFS' MOTION FOR AN ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD	
VS.	NOT BE HELD IN CONTEMPT FOR VIOLATION OF COURT	
TRUDI LEE LYTLE, et al.,	ORDERS	
Defendants.		
SEPTEMBER TRUST, DATED MARCH 23, 1972, et al.,	Case No.: A-17-765372-C Dept. No.: XVI	
Plaintiffs,		
VS.	Consolidated	
v 3.	HEARING REQUESTED	

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

("Gegen") (hereafter September Trust, Zobrist Trust, Sandoval Trust and Gegen may be collectively referred to as "Plaintiffs"), by and through their attorneys, Christensen James & Martin, petition the Court for an Order to Show Cause why Defendants, Trudi Lee Lytle and John Allen Lytle, As Trustees of the Lytle Trust ("Defendants" or "Lytle Trust"), should not be held in contempt of this Court's Order Granting Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment executed by the Judge on May 22, 2018 and filed with the Court on May 24, 2018 (hereafter "May 2018 Order"). This Motion is based upon the following Memorandum of Points and Authority, Exhibits, Affidavits, all other documents on file with the Court in this matter, and any argument allowed at the time of the hearing of this matter.

DATED this 4th day of March 2020.

CHRISTENSEN JAMES & MARTIN

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

NOTICE OF MOTION

You will please take Notice that the September Trust, Zobrist Trust, Sandoval Trust and Gegen shall bring the above and foregoing Plaintiffs' Motion for Order to Show Cause on for hearing before Department XVI on the date and time to be set by the Court and noticed to the parties registered for service through the "Clerk's Notice of Hearing" once a hearing date has been set.

DATED this 4th day of March 2020.

CHRISTENSEN JAMES & MARTIN

By: <u>/s/ Wesley J. Smith</u>

Wesley J. Smith, Esq.

Nevada Bar No. 11871

Attorneys for Intervenors September Trust,

Zobrist Trust, Sandoval Trust and Gegen

### MEMORANDUM OF POINTS AND AUTHORITIES

I.

### INTRODUCTION

In May 2018, this Court entered a permanent injunction against the Lytle Trust from seeking to enforce the Judgments obtained in the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, from the Plaintiffs' or their properties. Two weeks later, the Lytle Trust filed a new case seeking the appointment of a receiver to ultimately act as its personal collection agent against the Plaintiffs and their properties. The Lytle Trust materially misrepresented that the Amended CC&Rs governed and failed to inform the Court that a permanent injunction prohibited such action. Without opposition and based on the Lytle Trusts' intentionally misleading statements, a Receiver was appointed. The Receiver then contacted the Plaintiffs, stating:

the appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff"). ... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments....We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments.

The Receiver enclosed a copy of an Order purporting to give the Receiver power to "issue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association."

As will be discussed below, the Lytle Trust's filing of the Receiver Action, the Lytle Trust's efforts to appoint the Receiver, and the Receiver's attempt to collect the Judgments obtained in the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, from the Plaintiffs' or their properties are direct violations of the permanent injunction. This should not be tolerated by the Court. The purpose of this Motion is for the Court to issue an Order to Show Cause why the Defendants should not be sanctioned for their willful violations of the Permanent Injunction.

II.

#### STATEMENT OF FACTS

On May 22, 2018, this Court signed an Order Granting Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment ("May 2018 Order"). The May 2018 Order was entered by the Court on May 24, 2018. On June 19, 2018, the Lytle Trust appealed the May 2018 Order to the Nevada Supreme Court, Case No. 76198 ("Appeal"). The Supreme Court entered its Order affirming the May 2018 Order on March 2, 2020.<sup>1</sup>

The Plaintiffs hereby incorporate the findings of fact and conclusions of law from the May 2018 Order as if set forth fully herein. Especially significant is this permanent injunction language in the May 2018 Order:

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

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

May 2018 Order at 10:10-19 (emphasis added). Thus, the Lytle Trust is prohibited from taking any action against the Plaintiffs or their properties based on any judgment it has obtained against the Rosemere Association.

The May 2018 Order also contained these key findings of fact and conclusions of law:

- 2. The Association is a "limited purpose association" as referenced in NRS 116.1201(2).
- 3. As a limited purpose association, NRS 116.3117 is not applicable to the Association.

<sup>&</sup>lt;sup>1</sup> A true and correct copy of the Order of Affirmance of the May 2018 Order is attached to the Motion as Exhibit 8.

- 4. As a result of the Rosemere Litigation I, the Amended CC&Rs were judicially declared to have been improperly adopted and recorded, the Amended CC&Rs are invalid and have no force and effect and were declared *void ab initio*.
- 5. The Plaintiffs were not parties to the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.
- 6. The Plaintiffs were not 'losing parties' in the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III as per Section 25 of the Original CC&Rs.
- 7. Rosemere Judgments I, II and III in favor of the Lytle Trust, are not against, and are not an obligation of the Plaintiffs to the Lytle Trust.
- 8. Rosemere Judgments I, II and III are against the Association and are not an obligation or debt owed by the Plaintiffs to the Lytle Trust.

May 2018 Order at 7-8.

The May 2018 Order followed a prior Order issued by the Court in the lead consolidated Case (Case No. A-16-747800-C) on July 25, 2017 ("July 2017 Order") in favor of other similarly situated property owners, Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust ("Boulden"), and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques & Linda Lamothe Living Trust ("Lamothe"). The Plaintiffs also incorporate the findings of fact and conclusions of law from the July 2017 Order. The Lytles appealed the July 2017 Order and the Nevada Supreme Court issued an Order of Affirmance on December 4, 2018 in Case No. 73039, *Trudi Lee Lytle v. Marjorie B. Boulden*. Exhibit 1, Order of Affirmance.

The Order of Affirmance unequivocally and absolutely holds that a judgment obtained by the Lytle Trust against the limited-purpose Rosemere Association cannot be enforced against individual owners or their properties, especially "property owners who were not parties to the Lytles' complaint against Rosemere Estates, and whose property interests had never been subject of any suit." Exhibit 1, Order of Affirmance at 6. The Order of Affirmance specifically states:

NRS 116.1201(2)(a) provides, in relevant part, that limited purpose associations are not subject to NRS Chapter 116, with enumerated statutory exceptions, NRS 116.3117 not among them. NRS 116.3117(1)(a) states that a monetary judgment against an association, once recorded, is a lien against all real property of the association and all of the units in the common-interest community. An "association" is defined as a unit-owners' association organized under NRS 116.3101. NRS 116.011. A unit-owners' association must be in existence on or before the date when the first unit is conveyed. NRS 116.3101.

Here, the Lytles do not dispute that the Association is a limited purpose association. Although they assert that properties within limited purpose associations are subject to NRS 116.3117's lien provisions, NRS 116.1201 spells out the specific statutes within NRS Chapter 116 that apply to limited purpose associations, and NRS 116.3117 is not among them. Aside from those listed statutes, NRS Chapter 116 "does not apply to [a] limited purpose association." NRS 116.1201(2)(a). Thus, the plain language of the statute is clear that limited purpose associations are not subject to NRS 116.3117's lien provisions. By listing exactly which provisions within NRS Chapter 116 apply to limited purpose associations, NRS 116.1201 does not leave any room for question or expansion in the way the Lytles urge. We are likewise not persuaded by the Lytles' further contention that they may place a valid judgment lien on the Boulden and Lamothe properties through a series of statutory incorporations.

Exhibit 1, Order of Affirmance at 4. In summary, the Order of Affirmance expressly states that the statutory mechanism for collecting judgments against an association under NRS 116.3117 is not available for the Lytle Trust's judgments. Exhibit 1, Order of Affirmance at 3-6.

Despite the July 2017 Order, May 2018 Order, and the Order of Affirmance, on or around January 22, 2020, the Plaintiffs each received a letter from Kevin Singer of Receivership Specialists ("Receiver Letter") regarding the appointment of Mr. Singer as a Receiver in Case No. A-18-775843-C, *Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association* ("Receivership Action"). Exhibit 2, Receiver Letter; Affidavit of Karen Kearl ("Kearl Affidavit"); Affidavit of Gerry Zobrist ("Zobrist Affidavit"); Affidavit of Julie Marie Sandoval Gegen ("Gegen Affidavit") (hereafter Kearl Affidavit, Zobrist Affidavit and Gegan Affidavit are collectively "Plaintiffs' Affidavits"). In the Receiver Letter, Mr. Singer states that "the appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff").... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments.... We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments." *See* Exhibit 2 at 1.

The Receiver Letter included the Order Appointing a Receiver of Defendant Rosemere Property Owners Association ("Order Appointing Receiver") as an enclosure. Exhibit 3, Order Appointment Receiver. The Order Appointing Receiver directs the Receiver to "issue and collect

a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association." *Id.* at 2.

On January 29, 2020, Plaintiffs' attorney Wesley J. Smith sent a letter to the Receiver notifying him that his actions were in direct violation of the Permanent Injunction issued in this Case, demanded that he cease and desist from any further effort to collect any judgment or take any action against the Plaintiffs, demanded that any further communication with the Plaintiffs be directed through counsel, and demanded that the Receiver, as an officer of the Court, notify the Receivership Action Court of this Court's May 2018 Order and of violation of the Permanent Injunction. Exhibit 4, Smith Letter.

On January 30, 2020, the Receiver sent a letter directly to each of the Plaintiffs explaining that he would seek additional instructions from the Receivership Action Court through his attorney based on the information obtained from Mr. Smith. Exhibit 5, January 30, 2020 Letter. As of the date of this Motion, the Receiver's attorney has not filed any paperwork regarding these issues in the Receivership Action. *See* Affidavit of Wesley J. Smith ("Smith Aff.") at ¶ 9.

The Plaintiffs have discovered that the Receivership Action was filed on June 8, 2018, just two weeks after this Court entered its May 2018 Order. The Complaint alleges that the Rosemere Estates Property Owners' Association ("Association") is not functioning, that the common elements of the community are not being maintained, and that "the Association has not paid known creditors of the Association, which includes...the Lytles, which hold multiple judgments against the Association." Exhibit 6, Complaint at ¶ 21.

In the Renewed Application for Appointment of Receiver filed on October 24, 2019 ("Application") in the Receivership Action, the Lytle Trust asserts that the main purpose in requesting a Receiver is to require the owners in the Subdivision to pay the Rosemere I, II and III Judgments. Exhibit 7, Application at 3:2-4, 5:17-18 ("Additional grounds exist because the Association is refusing to pay and refusing to assess Association members related to various

monetary judgments awarded to the Lytles against the Association"), 13:19-28 ("a receiver may be appointed...after judgment, to carry the judgment into effect"), 14:1-2, 16-28 ("the Lytle Trust obtained judgments against the Association and a Receiver is needed to carry those judgments into effect"), 15:20-25 ("the Association has a duty...to pays its debts, including the Judgments obtained by the Lytle Trust"), 16:17-22 ("the Association is without any governing body to assess the homeowners and pay the judgments").

The Lytle Trust provides careful and selected detail about the Rosemere I, II and III cases in the Application but fails to mention either of these consolidated cases or appeals. Most importantly, the Lytle Trust failed to inform the court about the July 2017 Order, the May 2018 Order, or the Order of Affirmance. *See* Exhibit 7, Application generally.<sup>2</sup> The Lytle Trust did not inform the Receivership Action Court that there is a permanent injunction issued by this Court directly related to and prohibiting enforcement of Rosemere judgments against the Plaintiffs or their properties. Yet, the very purpose of the Order Appointing Receiver is to attempt to collect the Rosemere judgments from the Plaintiffs.

### III.

#### **ARGUMENT**

The Lytle Trust's attempts to appoint a Receiver to collect on the Judgments against the Plaintiffs or their properties, to use the Amended CC&Rs, and to expand the powers granted to the Association (and the Receiver) by the original CC&Rs and NRS 116.1201 are in clear violation of this Court's May 2018 Order. The relief requested in the Application and entered in the Receivership Order is blatantly calculated to ignore this Court's May 2018 Order and provides relief this Court clearly prohibited the Lytle Trust from seeking. Once improperly

<sup>&</sup>lt;sup>2</sup> In a footnote at the very end of the Application, the Lytle Trust states: "The Lytle Trust is evaluating whether any of the judgments preclude enforcement, even in small part, against any or all of the Association's other members." Exhibit 7, Application at 18, n 5. This statement is meaningless. The Lytle Trust actively sought the appointment of a receiver to enforce those judgments against the property owners.

empowered, the Receiver's letter to the Plaintiffs seeking to collect the Lytle Trust's judgments violated this Court's permanent injunction. Thus, Plaintiffs are now seeking an Order to Show Cause and are requesting their attorney's fees and costs for having to bring this Motion.

### A. This Court Should Use Its Inherent Power to Enforce its May 2018 Order.

This court has inherent power to protect the dignity and decency in its proceedings and to enforce its decrees, orders and judgments. *Halverson v. Hardcastle*, 123 Nev. 245, 261, 163 P.3d 428, 440 (Nev. 2007); see also In re Determination of Relative Rights of Claimants & Appropriators of Waters of Humboldt River Sys. & Tributaries v. State Eng'r of the State of Nev. & Water Comm'rs of the Sixth Jud. Dist. Ct., 59 P.3d 1226, 1229 (Nev. 2002). "Further, courts have the inherent power to prevent injustice and to preserve the integrity of the judicial process...." *Halverson*, 123 Nev., at 262. A party is required to adhere to court orders, even erroneous orders, until terminated or overturned. *Rish v. Simao*, 368 P.3d 1203, 1210 (Nev. 2016). Thus, this Court's May 2018 Order is in effect and should be enforced.

Pursuant to NRS 22.010(3), a party may be held in contempt of court for "disobedience or resistance to any lawful...order...issued by the court...." In Nevada, courts have the "inherent" ability to compel obedience to its orders through their contempt powers. *See Phillips v. Welch*, 12 Nev. 158, 801 P.2d 1363 (1877); *Lamb v. Lamb*, 83 Nev. 425, 428, 433 P.2d 265 (1967) ("The power of courts to punish for contempt...is inherent"). District court judges are afforded broad discretion in imposing sanctions for contempt. *See Young v. Johnny Ribeiro Building*, 106 Nev. 88, 92, 787 P.2d 777, 779 (1990). Generally, "an order for civil contempt must be grounded upon one's disobedience of an order that spells out 'the details of compliance in clear, specific and unambiguous terms so that such person will readily know exactly what duties or obligations are imposed on him." *Southwest Gas Corp. v. Flintkote Co.*, 99 Nev. 127, 131, 659 P.2d 861,864 (1983) (*quoting Ex Parte Slavin*, 412 S.W.2d 43, 44 (Tex. 1967)).

The moving party has the burden of showing by clear and convincing evidence that the party against whom contempt is sought violated a specific and definite court order. *In re* 

Bennett, 298 F.3d 1059, 1069 (9th Cir. 2002). If the moving party meets this burden, the burden shifts "to the contemnors to demonstrate why they were unable to comply." *Id.* A party may be found in civil contempt for disobedience of a specific and definite court order if it fails to take all reasonable steps within its power to comply. *In Re Dual–Deck Video Cassette AntiTrust Lit.*, 10 F.3d 693, 695 (9th Cir. 1993). The contempt "need not be willful," and there is no good faith exception to the requirement to obey a court order. *Id.* 

The permanent injunction in the May 2018 Order is specific and definite. "The Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the [Rosemere cases], or any other judgments obtained against the Association, against the" Plaintiffs properties. May 2018 Order at 10. Further, "the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the [Rosemere cases]." *Id.* There is no ambiguity in those direct orders to the Lytle Trust. As will discussed below, the Lytle Trust clearly violated the permanent injunction. The burden is on the Lytle Trust to demonstrate why they were unable to comply, or rather, why they took affirmative actions to violate the May 2018 Order.

### B. The Order Appointing Receiver Violates the May 2018 Order.

The Complaint initiating the Receivership Action was filed just two weeks after the May 2018 Order was entered in this Case. Exhibit 6, Complaint. The Lytle Trust did not seek a receiver in this case or any of the three prior cases in which it obtained judgments against the Association. Instead, the Lytle Trust initiated a brand-new case, virtually assuring that a new judge would be assigned that would not have knowledge of the prior litigation and would not be aware of this Court's Orders.

While the timing and circumstances of the new case filing are suggestive of the Lytle Trust's intent, the pleadings and motions filed in the Receivership Action demonstrate an effort to thwart this Court's Orders. The Lytle Trust purposefully and selectively presented facts to a new judge, conveniently leaving out key findings of fact and conclusions of law from the

Rosemere I, II, and III cases, and completely ignoring this Case entirely, including failing to inform the court about the permanent injunction in the May 2018 Order (or the similar permanent injunction in the July 2017 Order). This breach of duty of candor to the Court resulted in the Order Appointing Receiver that the Lytle Trust is now trying to use to obtain payment from the Plaintiffs in clear contravention of the May 2018 Order.

The Lytle Trust made representations to the court in the Receivership Action that directly contradict the conclusions of law from this Court. The May 2018 Order prohibits "recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association" against the Plaintiffs or their properties. The Order Appointing Receiver breaches this prohibition, as follows:

[The Receiver has the authority to] Issue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association.... The Receiver has the authority to assess all Association unit owners to pay for any operation costs or to pay for judgments against the Association. If an Association member does not pay an assessment then the Receiver may proceed to foreclose on said members ownership interest in the property.

Exhibit 3, Order Appointing Receiver at 2:19-20, 6:4-7. This language is an egregious attempt by the Lytle Trust to obtain payment on the Judgments in clear violation of this Court's May 2018 Order.

The May 2018 Order holds that "the Association is a 'limited purpose association' as referenced in NRS 116.1201(2)." May 2018 Order at 7:20-21. It also concluded that "the Amended CC&Rs were judicially declared to have been improperly adopted and recorded, the Amended CC&Rs are invalid and have no force and effect and were declared void ab initio." *Id.* at 7:24-28. Thus, the Amended CC&R's cannot grant the Association, or any receiver appointed to act on its behalf, any authority because they have no force or effect. The only powers the Association or Receiver would be entitled to exercise are those enumerated in the original

CC&Rs or NRS 116.1201(2) regarding a limited-purpose association created to maintain landscaping and other common elements.<sup>3</sup>

The Order Appointing Receiver grants the Receiver authority that exceeds the authority granted to the Association by NRS 116.1201 and the original CC&Rs. This directly contradicts the May 2018 Order. The Order Appointing Receiver supposes to grant the Receiver broad powers that the Association would not otherwise possess by statute or its enabling document. *See* Exhibit 3, Order Appointing Receiver at 2-9. A perfect example of this is the authority to "issue and collect a special assessment upon all the owners within the Association to satisfy the Lytle Trust's judgments against the Association" as discussed above. Exhibit 3, Order Appointing Receiver. The original CC&Rs do not contain any power of special assessment. Further, NRS 116.3117, which would allow judgments against an association to be liens against the individual properties in the community, is not included in NRS 116.1201's list of applicable provisions. The Nevada Supreme Court has conclusively ended any debate on that issue. *See* Exhibit 1, Order of Affirmance at 3-6.

As discussed herein, the July 2017 Order, the May 2018 Order, or the Order of Affirmance directly contradict much of the Lytle Trusts' argument regarding application of the Amended CC&Rs and the legality of an assessment against the Plaintiffs. *Compare, e.g.*, Exhibit 7, Application at 12-13 (presenting arguments regarding *Mackintosh*) with Exhibit 1, Order of Affirmance at 5-6 (rejecting the Lytle Trust's *Mackintosh* arguments: "Nothing in *Mackintosh* suggests that [it] applies beyond the context of contractual agreements and the circumstances of that case, and we are not persuaded that it otherwise provides a basis for expanding the

These include the following sections of NRS 116, *only*: NRS 116.31155 - Pay the fees imposed on the Association to pay for the costs of administering Office of Ombudsman and Commission; NRS 116.31158 - Register the Association with the Ombudsman; NRS 116.31038 - Deliver to the Association certain property held or controlled by declarant; NRS 116.31083 – Notice and hold meetings of the executive board, take minutes and periodically review certain financial and legal matters at meetings; NRS 116.31152 – Prepare a study of reserve in accordance with the requirements of this section including submission to the Division; NRS 116.31073 - Maintain, repair, restore and replace security walls; and NRS 116.4101 to 116.4112 – Comply with the requirements for a Public Offering Statement pursuant to these sections.

application of NRS 116.3117."). The May 2018 Order and the Order of Affirmance specifically rejected the ability to assess the judgments against the property owners pursuant to the Amended CC&Rs or NRS 116.3117. See May 2018 Order at 7-8; Exhibit 1, Order of Affirmance at 4-8. Yet that is exactly Lytle Trust argues the Receiver should be able to do. See Exhibit 7, Application at 11:4-28 ("4. The Amended CC&Rs Grant the Association Authority to Assess Each Unit for Payment of Judgments Against the Association"), 13:1-17, 17:1-9 ("the Amended CC&Rs provide the Association with the ability to specially assess each unit owner for payment of the judgments"). As such, the Lytle Trust is in breach of this Court's May 2018 Order and should be held in contempt of this Court.

### C. The Lytle Trust Cannot Bypass the Permanent Injunction or This Court's Orders by Hiding Behind the Receiver.

The permanent injunction binds the Lytle Trust, its "officers, agents, servants, employees, and attorneys; and other persons who are in active concert or participation" with the Lytle Trust. See NRCP 65(d)(2). The Lytle Trust had actual notice of the May 2018 Order as it was a party to this Case and appealed (and lost) the May 2018 Order to the Nevada Supreme Court. It is also clear that the Lytle Trust sought out the Receiver's services, presented him to the Court, and advanced the Receiver's costs. The Lytle Trust's counsel wrote the Order Appointing Receiver. The Receiver then acted based on the direction provided by the Lytle Trust, following a course of action set in motion by the Lytle Trust.

The Lytle Trust was unquestionably prohibited by the May 2018 Order from taking any action to collect the Rosemere judgments from the Plaintiffs or their properties. The Lytle Trust was further bound by the July 2017 Order and the Nevada Supreme Court's Order of Affirmance. The express purpose of the Lytle Trust seeking appointment of the Receiver was so that the Receiver could make assessments against the Plaintiffs' properties to satisfy the Lytle

<sup>&</sup>lt;sup>4</sup> Of course, the Lytle Trust argues its own property should NOT be subject to an equal burden of assessment. Exhibit 7, Application at 17:10-28, 18:1-7 (arguing the Lytle Trust will not be made whole if it is required to pay some of the punitive damages).

Trust's judgments against the Association. The Lytle Trust was not legally permitted to seek collection from the Plaintiffs or their properties in this manner. Passing the illegal collection effort to the Receiver cannot be used to circumvent the July 2017 Order, Order of Affirmance, or the May 2018 Order.

Further, the July 2017 Order, Order of Affirmance, and May 2018 Order set forth certain rules of law regarding the legal rights of the Association. The Order Appointing Receiver purports to give the Receiver power to act on behalf of the Association to do things that the Association had the power to do but was failing or refusing to do. The July 2017 Order, Order of Affirmance, and May 2018 Order directly impact those powers. For instance, the Amended CC&Rs are *void ab initio* and NRS 116.3117 is not applicable to the Association. Therefore, the Receiver acting in the Association's place cannot use the Amended CC&Rs or NRS 116.3117 to accomplish anything because they have no force or effect on the Association and grant it no rights. In other words, the appointment of the Receiver cannot alter legal realities or bypass the July 2017 Order, Order of Affirmance, and May 2018 Order.

### D. The Receiver's Letter Violates the May 2018 Order.

In May 2018, the Plaintiffs obtained a permanent injunction from this Court prohibiting the Lytle Trust from "recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association" against the Plaintiffs or their properties. May 2018 Order at 10. In January 2020, the Receiver violated the May 2018 Order by threatening to "issue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association." Exhibit 3, Order Appointing Receiver at 2 (included with Receiver Letter). The January 22, 2020 letter from the Receiver specifically stated that "the appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff"). ... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the

judgments....We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments." Exhibit 2 at 1. In other words, following a course of action set in motion by the Lytle Trust, the Receiver was attempting to do exactly what the May 2018 Order enjoined the Lytle Trust from doing.

### E. The Lytle Trust Did Not Engage in Good Faith Compliance and Failed to Take Any Corrective Action

The Plaintiffs have established with clear and convincing evidence that the May 2018 Order has been violated. The violations are so direct and intentional, that there cannot possibly be an argument that the Lytle Trust made good faith reasonable efforts to comply with the terms of the permanent injunction and has substantially complied. Additionally, The Plaintiffs sent a letter to the Receiver, with copy to the Lytle Trust, on January 29, 2020, notifying them that the actions were in direct violation of the May 2018 Order. No corrective action has been taken in this Case or the Receivership Action. *See cf. Boink Sys., Inc. v. Las Vegas Sands Corp.*, No. 2:08-CV-00089-RLH, 2011 WL 3419438, at \*3 (D. Nev. Aug. 3, 2011) (no contempt where violator made good faith reasonable efforts to comply and took immediate corrective action). Thus, contempt penalties are appropriate here.

### F. The Lytle Trust and its Counsel Should be Assessed Penalties, Including Plaintiffs' Attorney's Fees and Costs, for Violating the May 2018 Order.

A \$500 penalty may be assessed and imprisonment not exceeding 25 days may be ordered for each violation of the May 2018 Order. NRS 22.100(2). In addition, the court may require the Lytle Trust, its counsel, and/or the Receiver to pay to the Plaintiffs their "reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt. NRS 22.100(3); *Keresey v. Rudiak*, No. 75177-COA, 2019 WL 3967438, at \*6 (Nev. App. Aug. 21, 2019) (attorney's fees for time spent preparing and arguing their motion for an order to show cause, renewed motion for an order to show cause, and for time related to the hearing associated with those motions were proper). A sanction for "[c]ivil contempt is

characterized by the court's desire to...compensate the contemnor's adversary for the injuries which result from the noncompliance." *State, Dept. of Indus. Relations, Div. of Indus. Ins. Regulation v. Albanese*, 112 Nev. 851, 919 P.2d 1067, 1071 (1996) (*quoting Falstaff Brewing Corp. v. Miller Brewing Co.*, 702 F.2d 770, 778 (9th Cir.1983)).

The Plaintiffs request that this Court assess a \$500.00 penalty per Plaintiff to the Lytle Trust, its counsel, and the Receiver, as well as award all Plaintiffs' attorney's fees and costs incurred as a result of violations of the May 2018 Order, including but not limited to having to prepare, file and argue this Motion and intervene in the Receivership Action.<sup>5</sup>

### IV.

### **CONCLUSION**

Based on the foregoing, the Plaintiffs respectfully request this Court to issue an Order requiring Defendants to appear and show cause why they should not be held in contempt for violation of the May 2018 Order. Plaintiffs also respectfully request that a \$500 fee be assessed per Plaintiff and that the Plaintiffs be awarded all of their reasonable expenses incurred as result of the Lytle Trust's violation, including without limitation the Plaintiffs' attorney's fees and costs.

DATED this 4th day of March 2020.

CHRISTENSEN JAMES & MARTIN

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

<sup>&</sup>lt;sup>5</sup> As a result of the violation of the May 2018 Order, Plaintiffs were also forced to intervene in the Receivership Action to inform the court of this Court's Orders and to amend or rescind the Receivership Order to avoid further violations of the permanent injunction. The Plaintiffs' fees and costs for those efforts should be included in the fee award in this case.

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**CERTIFICATE OF SERVICE** 

I am an employee of Christensen James & Martin. On March 4, 2020, I caused a true and correct copy of the foregoing Plaintiffs' Motion for an Order to Show Cause, to be served in the following manner:

- X ELECTRONIC SERVICE: electronic transmission (E-Service) through the Court's electronic filing system pursuant to Rule 8.05 of the Rules of Practice for the Eighth Judicial District Court of the State of Nevada.
- Liz Gould (liz@foleyoakes.com)
- Daniel Foley (Dan@foleyoakes.com)
- Maren Foley (maren@foleyoakes.com)
- Jennifer Martinez (jennifer.martinez@fnf.com)
- Christina Wang (christina.wang@fnf.com)
- Mia Hurtado (mia.hurtado@fnf.com)
- Richard E. Haskin, Esq. (rhaskin@gibbsgiden.com)
  - Timothy P. Elson, Esq. (telson@gibbsgiden.com)
- 10 Robin Jackson (rjackson@gibbsgiden.com)
- Shara Berry (sberry@gibbsgiden.com) 11
  - Daniel Hansen (dhansen@gibbsgiden.com)
    - Joel D. Henriod (JHenriod@LRRC.com)
- 12 Daniel F. Polsenberg (DPolsenberg@LRRC.com)
  - Dan R. Waite (DWaite@LRRC.com)
    - UNITED STATES MAIL: depositing a true and correct copy of the above-referenced document into the United States Mail with prepaid first-class postage, addressed to the parties at their last-known mailing address(es):
- Kevin Singer 16
  - Scott Yahraus
- Receivership Specialists 17
  - 7251 W. Lake Mead Blvd., Suite 300
- Las Vegas, NV 89128 18
  - <u>FACSIMILE</u>: By sending the above-referenced document via facsimile as follows:
- 20  $\boxtimes$ <u>E-MAIL</u>: electronic transmission by email to the following address(es): 21
- Kevin Singer (Kevin@ReceivershipSpecialists.com)
- Scott Yahraus (Scott@receivershipspecialists.com) 22

/s/ Natalie Saville Natalie Saville

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CHRISTENSEN JAMES & MARTIN
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 6
    Attorneys for September Trust, Zobrist Trust, Sandoval Trust,
    and Dennis & Julie Gegen
 7
                          EIGHTH JUDICIAL DISTRICT COURT
 8
                                CLARK COUNTY, NEVADA
9
     MARJORIE B. BOULDEN, TRUSTEE OF
                                                 Case No.: A-16-747800-C
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     THE MARJORIE B. BOULDEN TRUST, et
                                                 Dept. No.: XVI
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                                                 DECLARATION OF COUNSEL IN
                        Plaintiffs,
                                                 SUPPORT OF PLAINTIFFS'
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                                                 MOTION FOR AN ORDER TO
                                                 SHOW CAUSE
            VS.
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     TRUDI LEE LYTLE, et al.,
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                        Defendants.
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     SEPTEMBER TRUST, DATED MARCH 23,
                                                 Case No.: A-17-765372-C
     1972, et al.,
                                                 Dept. No.: XVI
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                        Plaintiffs,
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     VS.
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     TRUDI LEE LYTLE AND JOHN ALLEN
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     LYTLE, AS TRUSTEES OF THE LYTLE
     TRUST, et al.,
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                        Defendants.
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    State of Nevada
                       ) ss.
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    County of Clark
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           Wesley J. Smith, Esq., states under penalty of perjury:
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           1.
                 I am at least 18 years of age. I personally prepared this Declaration and I am
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familiar with all factual statements it contains, which I know to be true and correct, except for

competent to testify to the same and would so testify if called upon as a witness.

2. I am an attorney licensed to practice before all state and federal courts of the State of Nevada.

any statements made on information and belief, which statements I believe to be true. I am

- 3. I am a partner and shareholder in the law firm Christensen James & Martin, Chtd. ("CJM"), counsel for the Plaintiffs, September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Jule Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust Dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife as Joint Tenants (hereafter "Gegen") (hereafter September Trust, Zobrist Trust, Sandoval Trust and Gegen may be collectively referred to as "Plaintiffs") in the above-captioned case.
- 4. I make this Declaration in support of Plaintiffs' Motion for an Order to Show Cause ("Motion").
- 5. A true and correct copy of the Nevada Supreme Court Order of Affirmance entered on December 4, 2018 in Case No. 73039, *Trudi Lee Lytle v. Marjorie B. Boulden*, affirming the decision of this Court in Case No. A-16-747800-C is attached to the Motion as Exhibit 1.
- 6. I reviewed the online records of the Eighth Judicial District Court, Clark County Nevada, and I found and printed records from that website, including the following documents for Case No. A-18-775843-C:
  - a. A true and correct copy of the Order Appointing a Receiver of Defendant Rosemere Property Owners Association, attached to the Motion as Exhibit 3;
  - b. A true and correct copy of the Complaint, attached to the Motion as Exhibit 6; and
  - c. A true and correct copy of the Renewed Application for Appointment of Receiver filed on October 24, 2019, attached to the Motion as Exhibit 7.

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- 7. On January 29, 2020, I sent a letter to the Receiver on behalf of the Plaintiffs notifying him that his letter was in direct violation of the permanent injunction issued in this Case, demanded that he cease and desist from any further effort to collect any judgment or take any action against the Plaintiffs and that he, as an officer of the Court, notify the Court of this Court's May 2018 Order. A true and correct copy of the letter I mailed to the Receiver is attached to the Motion as Exhibit 4.
- 8. As of the date of this Motion, the Receiver's attorney has not filed any paperwork with the Court in this Case or Case No. A-18-775843-C with regard to these issues.
- 9. The Plaintiffs have incurred fees and costs as a result of the Lytle Trust's actions, including responding to the Receiver, preparing this Motion, and preparing a Motion to Intervene in the Receivership Action, which fees and costs were reasonable and necessary to protect the Plaintiffs from violation of the May 2018 Order. Detail on the fees and costs incurred will be provided when this Court grants the Plaintiffs' request for fees and costs.

Further your affiant sayeth naught.

DATED this 2 day of March, 2020.

Wesley J. Smith, Esq. NV Bar No. 11871

## EXHIBIT R

000690

**Electronically Filed** 000691 3/6/2020 10:25 AM Steven D. Grierson CLERK OF THE COURT **JMOT** 1 CHRISTINA H. WANG, ESQ. 2 Nevada Bar No. 9713 FIDELITY NATIONAL LAW GROUP 3 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 Tel: (702) 667-3000 4 Fax: (702) 938-8721 5 Email: christina.wang@fnf.com Attorneys for Counter-Defendants/Cross-Claimants Robert Z. Disman and Yvonne A. Disman 6 7 8 9 **DISTRICT COURT** 10 **CLARK COUNTY, NEVADA** Case No.: A-16-747800-C 11 MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, 12 Dept. No.: XVI LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING TRUST, 13 JOINDER TO PLAINTIFFS' MOTION 14 Plaintiffs. FOR AN ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD 15 VS. NOT BE HELD IN CONTEMPT FOR **VIOLATION OF COURT ORDERS** 16 TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST, DOES I through X, and 17 ROE CORPORATIONS I through X, Hearing Date: April 21, 2020 Defendants. 18 19 Hearing Time: 9:00 a.m. AND ALL RELATED MATTERS 20 21 Counter-Defendants/Cross-Claimants ROBERT Z. DISMAN and YVONNE A. 22 DISMAN (hereinafter collectively referred to as, the "Dismans"), by and through their attorneys 23 of record, the Fidelity National Law Group, hereby file this Joinder to Plaintiffs' Motion for an 24 Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of 25 Court Orders, filed on March 4, 2020. 26 The Dismans hereby join in the arguments raised as set forth in the Motion for those 27 reasons stated therein, the papers and pleadings on file herein, and any oral argument that the 28

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

Court may entertain at the time of any hearing on the Motion.

DATED this 6th day of March, 2020.

FIDELIT

CHRIST:
Nevada E
8363 W.
Las Vega
Attorneys
Claimant
Yvonne A

FIDELITY NATIONAL LAW GROUP

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Yvonne A. Disman

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CERTIFICATE OF SERVICE
------------------------

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

Richard E. Haskin, Esq.
Timothy P. Elson, Esq.
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Attorneys for Plaintiffs Marjorie B.
Boulden, Trustee of The Marjorie B.
Boulden Trust, amended and restated
dated July 17, 1996; and Linda Lamothe
and Jacques Lamothe, Trustees of the
Jacques and Linda Lamothe Living Trust

Kevin Singer Scott Yahraus Receivership Specialists 7251 W. Lake Mead Blvd., Suite 300 Las Vegas, NV 89128

DATED: 3/0/2020

An employee of Fidelity National Law Group

## EXHIBIT S

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1 **NEOJ CHRISTENSEN JAMES & MARTIN** 2 KEVIN B. CHRISTENSEN, ESQ. Nevada Bar No. 175 3 WESLEY J. SMITH, ESQ. Nevada Bar No. 11871 4 LAURA J. WOLFF, ESQ. Nevada Bar No. 6869 5 7440 W. Sahara Avenue Las Vegas, Nevada 89117 6 Tel.: (702) 255-1718 Facsimile: (702) 255-0871 7 Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust, 8 and Dennis & Julie Gegen 9 EIGHTH JUDICIAL DISTRICT COURT 7440 WEST SAHARA AVE., LAS VEGAS, NEVADA 89117 10 **CLARK COUNTY, NEVADA** 11 Case No.: A-16-747800-C MARJORIE B. BOULDEN, TRUSTEE OF 12 THE MARJORIE B. BOULDEN TRUST, et Dept. No.: XVI al., 13 NOTICE OF ENTRY OF ORDER Plaintiffs, **GRANTING PLAINTIFFS** 14 MOTION FOR ORDER TO SHOW CAUSE WHY THE LYTLE TRUST VS. 15 SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF TRUDI LEE LYTLE, et al., 16 COURT ORDERS Defendants. 17 18 SEPTEMBER TRUST, DATED MARCH 23, Case No.: A-17-765372-C 1972, et al., Dept. No.: XVI 19 Plaintiffs, 20 CONSOLIDATED VS. 21 TRUDI LEE LYTLE AND JOHN ALLEN 22 LYTLE, AS TRUSTEES OF THE LYTLE TRUST, et al., 23 Defendants. 24 25 NOTICE IS HEREBY GIVEN, that an Order Granting Plaintiffs' Motion for Order to 26 27 Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders 28

CHRISTERSPAGMES & MARTIN

Electronically Filed 000695 5/22/2020 12:26 PM Steven D. Grierson CLERK OF THE COURT

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

DATED this 22nd day of May 2020.

CHRISTENSEN JAMES & MARTIN

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

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### **CERTIFICATE OF SERVICE**

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

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

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

- FACSIMILE: By sending the above-referenced document via facsimile as follows:
- $\square$  <u>E-MAIL</u>: electronic transmission by email to the following address(es):

<u>/s/ Natalie Saville</u>
Natalie Saville

Natalie

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

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

Plaintiffs,

VS.

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

Defendants.

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

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

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

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

### FINDINGS OF FACT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **CONCLUSIONS OF LAW**

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

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

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

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

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

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

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

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

#### **ORDER**

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

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

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

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

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

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

#### IT IS SO ORDERED.

Dated this 22 day of May , 2020.



#### **Submitted by:**

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

/s/ Wesley J. Smith
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Dennis & Julie Gegen

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

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

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

Mon 5/18/2020 9:52 AM

To: Wesley Smith <wes@cjmlv.com>

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

Approved – thanks.

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

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

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

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

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

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

Order to Show Cause

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

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

Wes Smith

Christensen James & Martin

Electronically Filed 6/29/2020 3:18 PM Steven D. Grierson CLERK OF THE COURT

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

and Dennis & Julie Gegen

#### EIGHTH JUDICIAL DISTRICT COURT

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

MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C THE MARJORIE B. BOULDEN TRUST, et Dept. No.: XVI REPLY TO DEFENDANT LYTLE Plaintiffs, TRUST'S OPPOSITION TO PLAINTIFFS' MOTION FOR ATTORNEY'S FEES AND COSTS VS. TRUDI LEE LYTLE, et al., Date of Hearing: July 7, 2020 Defendants. Time of Hearing: 9:00 a.m. SEPTEMBER TRUST, DATED MARCH 23, Case No.: A-17-765372-C 1972, et al., Dept. No.: XVI Plaintiffs, Consolidated TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST, et al., Defendants.

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

Tenants ("Gegen") (collectively the "Plaintiffs"), by and through their attorneys, Christensen James & Martin, hereby Reply to the Lytle Trust's Opposition to Plaintiffs' Motion for Attorney's Fees and Costs. This Reply is based upon the following Memorandum of Points and Authorities, Declaration and Exhibits filed herewith and the pleadings and papers on file.

DATED this 29th day of June, 2020.

CHRISTENSEN JAMES & MARTIN

By: /s/ Wesley J. Smith, Esq. Wesley J. Smith, Esq. Nevada Bar No. 11871 7440 W. Sahara Avenue Las Vegas, NV 89117 Tel.: (702) 255-1718 Fax: (702) 255-0871 Attorneys for September Trust Te

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

#### MEMORANDUM OF POINTS AND AUTHORITIES

I.

#### **ARUMENT**

As set forth in the Motion, this Court already invited the Plaintiffs to make an application for its expenses incurred as a result of the Lytle Trust's contempt. On May 22, 2020, the Court entered its Contempt Order concluding that the Lytle Trust had directly and indirectly violated the May 2018 Order, that a party may be held in contempt for violating its orders, and that the Court may impose fines and award "reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt." Contempt Order at 11:9-23 (quoting NRS 22.100(3)). The Court Ordered that the Lytle Trust violated the May 2018 Order, is in contempt of the May 2018 Order, shall pay a fine of \$500 to each movant, and that the Plaintiffs may file applications for their reasonable expenses, including, without limitation, attorney's fees, incurred as a result of the contempt. The Lytle Trust have not attacked an award of fees and costs on that ground. As explained below, the Plaintiffs have demonstrated that they

are also entitled to fees and costs pursuant to the Original CC&Rs, NRS 18.020, 18.050, 18.010(2)(b) and NRAP 39(e).

#### A. This Court Can Award Fees Incurred in the Receivership Action.

Plaintiffs have asked this Court to award attorney's fees and costs incurred for the Receivership Case because this Court found that the Lytle Trust's effort to appoint a receiver in that Case was a violation of this Court's May 2018 Order. See Contempt Order at 11:1-14. The Plaintiffs engaged in the Receivership Case for the specific purpose of putting an end to those violations and to alert that Court to the fact that this Court had issued permanent injunctions against the Lytle Trust. Thus, all the fees expended related to the Receivership Case are inextricably tied to this Case. The Plaintiffs gave an opportunity to avoid those fees. The Plaintiffs sent a letter to the Receiver with a copy to the Lytle Trust demanding that they cease and desist their violation of this Court's Prior Orders and inform the Receivership Court about the permanent injunctions. The Lytle Trust ignored the Plaintiffs and ferociously defended their actions as compliant with this Court's Orders. The Lytle Trust has not disputed these facts in their Opposition.

The Lytle Trust cites two cases for the proposition that this Court cannot award fees incurred in the Receivership action. Neither case is persuasive authority, nor do they support the Lytle Trust's argument. In *MacLean Townhomes, LLC v. Charter Oak Fire Insur. Co.*, 2009 WL 734698, \*3 (W.D. Wash. 2009), the Court did not award attorney's fees and costs incurred because "Plaintiff has failed to show that the fees were related to coverage issues." In this Case, the fees expended in the Receivership Case are directly related to this matter and were made necessary by the Lytle Trust's violations of this Court's Orders.

Lupoli v. Venus Labs., Inc., 731 N.Y.S.2d 217, 218 (N.Y. App. Div. 2001), can also be distinguished from this matter because it concerns the violation of a claim splitting rule in New York landlord-tenant law. See Caracaus v. Conifer Cent. Square Assocs., 158 A.D.3d 63, 68, 68 N.Y.S.3d 225, 229 (N.Y. App. 2017) (citing Lupoli and stating "The First Department, similarly,

wrote that 'the prohibition against the splitting of causes of action requires that such fees be sought within the action in which they are incurred, and not in a subsequent action"). The *Caracus* court explained that "the claim splitting rule exists to prevent a plaintiff from harassing a defendant with multiple suits where one suit would have sufficed to afford the plaintiff full relief....The claim splitting rule thus applies only when a plaintiff commences a new action or interposes a new counterclaim to expand his or her recovery from a prior action..." This Case does not share *Lupoli*'s area of law or procedural posture. The Plaintiffs were forced to litigate in multiple cases due to the Lytle Trust's litigation tactics, not their own.

The Lytle Trust also asserts that the language of Section 25 of the Original CC&Rs prevents this court from awarding the fees incurred in the Receivership Case because of the words "in such proceeding". All fees expended in the Receivership Case were incurred in order to give effect to this Court's Orders. Thus, all billings in the Receivership Case can be awarded by this Court because the Plaintiffs were trying to uphold the Court's Orders in this proceeding.

The Lytle Trust has also arbitrarily assigned the fees that should be apportioned to the Receivership Case. If this Court should find in favor of the Lytle Trust on this issue, CJ&M has attached their billing statements with those portions highlighted in pink that are applicable to the Receivership Action, which total \$36,259. This includes drafting a motion to intervene, motion to amend or set aside the Order Appointing receiving and reply thereto, opposing the Receiver's motion and Lytle Trust's extensive joinder, and two hearings, including a substantive hearing on the competing motions that required substantial preparation and argument.

#### B. All Fees Incurred in the Receivership Action Were Necessary

The Lytle Trust spends four (4) pages asserting that the Motion to Intervene in the Receivership Action could have been avoided because the Lytle Trust was willing to stipulate to the intervention. It is convenient to say to that the Lytle Trust would have stipulated, had the Plaintiffs simply asked, but there is no basis for this assertion. The undisputed facts as set forth in the Plaintiffs' Motion for Attorney's Fees (7:4-9:20), show that the Lytle Trust has been

unwilling to stipulate to reasonable requests in the past including removal of the liens, consolidation, dismissal of the appeal and rescinding the Receivership Order. The Plaintiffs sent a letter to the Receiver and Lytle Trust on January 29, 2020 requesting that they take affirmative action but received no response. *See* Exhibit 5. Thus, there was nothing curious or unreasonable about filing a Motion to Intervene on March 4, 2020, more than a month after the Lytle Trust failed to act or respond. In fact, the Lytle Trust did not advance the idea of allowing Plaintiffs to intervene in the Receivership Action until two (2) days after the Motion to Intervene was filed, when Mr. Waite associated into the Receivership Action. *See* Lytle Trust's Opposition at 4:15-21 and Exhibit F. To now say they would have stipulated without the Motion to Intervene is disingenuous and belies the precedence the Lytle Trust has set in this case from the beginning.

Further, Plaintiffs never declined to stipulate to the intervention, but only demanded that such stipulation comply with law. By Rule, intervention requires a "motion [] stat[ing] the grounds for intervention and be accompanied by a pleading that sets out the claim or defense for which intervention is sought." NRCP 24. Although stipulation was offered, Plaintiffs rightly felt it was necessary to include in the stipulation the grounds for intervention in order to comply with Rule 24(c).<sup>1</sup>

Following NRCP 24, the Plaintiffs included many more facts in the stipulation than had been offered by the Lytle Trust. There was no poisoning or emotional bias intended, only informing the Court of undeniable and unchangeable facts directly necessary to its decision. These facts are many of the same facts that this Court relied on in determining that the Lytle Trust violated the May 2018 Order. *See* Exhibit F attached to the Lytle Trust's Opposition. True to form, the Lytle Trust states that it would not agree to the "highly disputed allegations" that

<sup>&</sup>lt;sup>1</sup> The Lytle Trust makes a big issue of Plaintiffs' counsel holding internal conferences about the proposed stipulation instead of immediately agreeing to the terms drafted by the Lytle Trust's counsel. However, given the history, facts, and strange procedural posture created by the Lytle Trust, it makes sense for Plaintiffs' counsel to pause, assess and confer about what the Lytle Trust offered, particularly since they had not responded to the letter sent to the Receiver in January.

Plaintiffs' counsel wanted to insert in the Stipulation even though Plaintiffs' counsel also added the language that "Plaintiff Lytle Trust does not agree with the Proposed Intervenors' allegations . . ." See Lytle Trust's Opposition, Exhibit F, Stipulation and Order Allowing Intervention 3:4-6 (¶ 2). In the end, it was the Lytle Trust's refusal to include relevant facts in the stipulation that frustrated the effort and required a decision by the Court. Notably, the facts that Plaintiffs sought to include form the basis for the Court's Order holding the Lytle Trust in contempt. None of these facts prevent this Court from awarding Plaintiffs' fees for the preparation of the Motion to Intervene as well as all other matters related thereto.

## C. Plaintiffs Are Entitled to Attorney's Fees Pursuant to the Terms of the Original CC&RS

This Court has already awarded fees and costs to the Disman and Lamothe/Boulden parties under the Original CC&Rs and just recently dismissed their appeal of that Order. Thus, it is hard to fathom why the Lytle Trust spends four (4) pages trying to convince the Court that the Original CC&Rs do not apply to an attorney's fees award to the Plaintiffs. Clearly, this Court has already set a precedent and the law of the case and/or issue preclusion apply.

In Executive Mgmt. v. Ticor Title Ins. Co., 114 Nev. 823, 835-36, 963 P.2d 465, 473-74 (1998), the Court clarified the three-part test for issue preclusion as follows: "(1) the issue decided in the prior litigation must be identical to the issue presented in the current action; (2) the initial ruling must have been on the merits and have become final; and (3) the party against whom the judgment is asserted must have been a party in privity with a party to the prior litigation." "Unlike claim preclusion, issue preclusion 'does not apply to matters which could have been litigated but were not.' "Id. at 473 quoting Pomeroy v. Waitkus, 183 Colo. 344, 517 P.2d 396, 399 (1974). Here, all claims and issues presented are identical and the decision was final. The Lytle Trust was party to all decisions at issue in this case. Thus, issue preclusion

applies to the attorney's fees and costs that were awarded to the Boulden/Lamothe and Disman parties.

With regard to the law of the case doctrine, the Nevada Supreme Court stated in footnote 3 of the Order of Affirmance, dated March 2, 2020:

Although this court has previously stated that trial court decision do not constitute law-of-the-case, *see Byford v. State*, 116 Nev. 215, 232, 994 P.2d 700, 711-12(2000), we note that federal law provides that the doctrine applies to district court decisions, although it does not preclude a district court from reconsidering its own rulings unless a higher court has ruled on the issue and mandated a certain outcome. *See, e.g., Askins v. U.S. Dep't of Homeland Sec.*, 899 F.3d 1035, 1042 (9<sup>th</sup> Cir. 2018); *Moore v. James H. Matthews & Co.*, 682 F.2d 830, 833-34 (9<sup>th</sup> Cir. 1982)

See Order of Affirmance attached to the Motion as Exhibit 2. Thus, this Court could look to the law of the case as a solid reason for awarding the Plaintiffs their attorney's fees and costs.

#### 2. The Lytle Trust's Counterclaim Makes No Difference to This Issue

The Lytle Trust's attempt to discredit precedence by stating that the CC&Rs were only implicated for the other homeowners because of the Lytle Trust's counterclaim is a distinction without a difference. The Court Minutes dated May 17, 2019 provide that:

The Court has ruled that the CC&R's control the award of attorney's fees in this matter. Pursuant to paragraph 25 of the CC&R's regarding attorney's fees, the losing party or parties shall pay in such amount as may be fixed the court. Applying the language of the CC&R's the Court determined that the Boulden and Lamothe Plaintiffs and Disman Counter Defendants are the winning parties, the Lytle Defendants are the losing party and the language is mandatory regarding the assessment of attorney fees against the losing party.

This language does not reference the Lytle Trust's counterclaims but broadly recognizes that paragraph 25 of the CC&Rs applies, which was confirmed by the specific words of Judge Williams at the hearing:

And so that -- to me that covers everything as far as -- you could enforce the CC&Rs or you can restrain somebody under the CC&Rs. What they were doing here was essentially this, they were restraining your client from filing the abstract because they had no right pursuant to the CC&Rs to do such a thing. Because this was a limited purpose homeowners association, it wasn't a full-blown homeowners association, there was no right to do it.

Reporters Transcript of Motion for Attorney's Fees and Costs dated May 16, 2019 ("Transcript") at 38:3-11, attached hereto as Exhibit 9. Judge Williams also stated, "Additionally, the thrust,

focus, and essence of all this litigation stemmed from the original CC&Rs, I mean, they did, and going back to Judge Leavitt and her determination, what I did, the comments by the Nevada Supreme Court, and the affirmance." Ex. 9, Transcript at 62:15-19.

In the instant case, the Plaintiffs are the winning parties pursuant to the Original CC&RS and so should be awarded their fees and costs like the other Plaintiffs-end of story. Further, the Boulden/Lamothe Order Granting Motion for Attorney's Fees and Costs and Order Denying Defendant's Motion to Retax and Settle Costs ("Boulden/Lamothe Order") reflects Judge Williams findings by only stating one conclusion of law which provides that "Section 25 of the CC&Rs is a mandatory provision regarding the award of attorney's fees and costs being paid by the losing party in any legal or equitable proceeding for the enforcement of or to restrain the violation of the CC&Rs or any provision thereof." Boulden/Lamothe Order at 8:5-9. Of course, the Findings of Fact, Conclusions of Law and Order Granting Robert Z. Disman and Yvonne A. Disman Motion for Attorney's Fees ("Disman Order") mentions the Counterclaim because that is how this party got involved in this case, but it is important to point out that when mentioning the counterclaim the Order provides that, "Given the nature of the Counterclaim, as well as the overall case..." Disman Order, Conclusions of Law No. 4. There is no basis to grant fees to the other homeowner plaintiffs under the CC&Rs, but not the Plaintiffs here.

#### 3. The Plaintiffs Actions Enforced and Restrained the CC&Rs

The Lytle Trust alleges that the Plaintiffs were not enforcing the CC&Rs, nor enjoining violation of the CC&Rs, and did not reference the CC&Rs in their demand letters. Just because the Plaintiffs did not reference the CC&Rs in letters does not mean they were not implicated. The letter was not a legal brief. However, in the General Allegations section of the Complaint, the Plaintiffs reference the CC&Rs in paragraphs 15-17, including CC&R Paragraph 24, which provides that the Lytle Trust had to sue the Plaintiffs directly to enforce the CC&Rs and they did not. Further, the Lytle Trust argued in its Opposition to Motion for Summary Judgment, Or, In The Alternative, Motion For Judgment On The Pleadings; And Countermotion For Summary

Judgment ("Lytle Trust MSJ") that the terms of the Original CC&Rs allowed a lien or judgment against the Association to attach to each lot within the Association. *See* Lytle Trust MSJ 10:4-7 ("As set forth below, the Lytles rightfully recorded the Abstracts of Judgments, including those against Plaintiffs, pursuant to the Original CC&Rs . . .") and 20:22-24 ("Pursuant to the Original CC&Rs, a lien or judgment against the Association established under the Original CC&Rs attaches to each lot within the Association."). The Lytle Trust took these same arguments to the Supreme Court. Thus, this litigation was necessary to restrain the Lytle Trust's violation of the Original CC&Rs.

Further, the Plaintiffs were required to enforce the terms of the Original CC&RS because the Lytle Trust continued to act as if the Amended CC&Rs had power, which also violated the Original CC&Rs as the only contract that governed. See Lytle Trust MSJ at 18:5-6 ("A ruling in favor of Plaintiffs in the instant case would provide the Association with forgiveness to utilize NRS Chapter 116 and the Amended CC&Rs as swords. . ."); see also Appellants' Opening Brief (Docket No. 76198) at 28, attached hereto as Exhibit 11 ("Appellants simply seek an equal application of the rules-specifically that the Amended CC&Rs and Chapter 116 be open to Appellants to utilize in enforcing the Judgment in enforcing the NRED 2 Litigation"). The Lytle Trust continued to use the Amended CC&Rs even in the Receivership Case. See Renewed Application for Appointment of Receiver filed on October 24, 2019 ("Application"), at Part II.C.4 ("The Amended CC&Rs Grant the Association Authority to Assess Each Unit for Payment of Judgments Against the Association") and Part III.D, attached hereto as Exhibit 12.

The Plaintiffs prevailed in enforcing the Original CC&Rs by obtaining injunctive relief prohibiting the Lytle Trust from recording its Judgments against Plaintiffs' properties in violation of the Original CC&Rs and in stopping the Lytle Trust from using the Amended CC&Rs to do so in this case and in the Receivership Case. There is no shoehorning by the Plaintiffs. The true reality is that this case was all about the CC&Rs from the beginning. The only revisionist here is the Lytle Trust.

#### 4. The Argument Regarding Chapter 38 Mediation Has No Merit

The Lytle Trust asserts that the Plaintiffs were required to undertake Chapter 38 meditation. This argument was already dismissed by Judge Williams: "Well, tell me this. I understand it's mandatory, but at the end of the day it would be up to you to make a determination as to whether a motion to dismiss should be filed because they failed to meet the condition precedent as it relates to NRED." Ex. 10, Transcript at 19:8-12. Further, Plaintiffs have never alleged in any of their pleadings that this case was about or subject to NRS 38.310 nor has the Lytle Trust interpreted it be so in any of their defenses or pleadings. Plaintiffs alleged in paragraph 52 of their Complaint that they would suffer irreparable harm ("Plaintiffs will suffer irreparable harm if they are not able to sell their Properties due to the recording of the Abstracts of Judgment"), which excludes their claims from the requirements of NRS 38.310. For NRS 38.310 purposes, a "civil action" is defined as "includ[ing] an action for money damages or equitable relief" but excludes "an action in equity for injunctive relief in which there is an immediate threat of irreparable harm." NRS 38.300(3). NRS 38 did not apply to this Case then and is not a bar to a fee award now.

#### D. Plaintiffs' Fees Should Not Be Reduced

The Lytle Trust asserts that this Court must use the "lodestar" method in its determination. However, the case cited by the Lytle Trust states that, "[T]he method upon which a reasonable fee is determined is subject to the discretion of the court . . . the court is not limited to one specific approach . . . however, the court must continue its analysis by considering the requested amount in light of the factors enumerated by this court in *Brunzell v. Golden Gate Nat'l Bank*." *Shuette v. Beazer Homes Holding Corp.*, 121 Nev. 837, 864-65, 124 P.3d 530, 549 (2005) (citations omitted). Thus, the *Brunzell* factors are the guide to reasonable fee in this case. *Gunderson v. D.R. Horton, Inc.*, 130 Nev. 67, 81, 319 P.3d 606, 615 (2014) (to determine if the fees sought are reasonable and justified in amount "the district court must consider the *Brunzell* factors."). The Plaintiffs have submitted adequate evidence of the hours actually

incurred in this Case and the Court can determine a reasonable award based on this evidence under the guidance of the *Brunzell* factors. There is no basis for the wholesale, and frankly ridiculous, reductions suggested by the Lytle Trust.

#### 1. Block Billing is Amenable to Consideration Under the Brunzell Factors

The Lytle Trust cites to many out of jurisdiction cases regarding block billing. However, what the Nevada Supreme Court has said about block billing is as follows:

The courts that have addressed block billing observe that block billing makes it difficult for a court to review the reasonableness of the requested attorney fees, as compared with single task time entries. . . Nevertheless, block-billed time entries are generally amenable to consideration under the Brunzell factors, (citations omitted), and a district court must consider block-billed time entries when awarding attorney fees. If a district court encounters difficulty considering the character of the work done or the work actually performed because of block billing, then the district court may order additional briefing or discount the relevant block-billed time entry or entries by an appropriate amount. See Welch, 480 F.3d at 948 (suggesting that a 10 to 30 percent reduction might be reasonable for block-billed fees). But only where a district court determines that none of the task entries comprising the block billing were necessary or reasonable may a district court categorically exclude all of the block-billed time entries. Mendez, 540 F.3d at 1129 ("[S]uch billing practices are legitimate grounds for reducing or eliminating certain claimed hours, but not for denying all fees.").

In this case, the block-billed entries submitted by Wayne's counsel contained two to four task entries. This is not an extreme example of block billing and does not unduly interfere with the district court's ability to judge the reasonableness of the attorney fees. . . Thus, we conclude that it was an abuse of discretion for the district court to categorically exclude all block-billed time entries from the attorney fees award.

In re Margaret Mary Adams 2006 Trust, 131 Nev. 12932015 WL 1423378 (Table) \*2-3 (Nevada, March 26, 2015) (emphasis added). Further, billing records are not the only evidence and are not even required. O'Connell v. Wynn Las Vegas, LLC, 134 Nev. 550, 558, 429 P.3d 664, 671 (Nev. App. 2018). A court can determine a reasonable fee based on "'all the facts and circumstances' after the court considered how the plaintiff's "work, thought and skill contributed" to the successful outcome." Id. at 670–71. Thus, block billing in a fee statement cannot be determinative of the reasonableness of the fee request.

The Plaintiffs' billings must not be eliminated or reduced significantly simply because some are block billed entries. In fact, a review of the Plaintiffs' billing statements show that most

block billed entries have only 2-4 tasks and are not an extreme example of block billing. If anything, the block billed entries describe the "work, thought and skill contributed" to the successful outcome in this Case. Certainly, the entries do not present "difficulty considering the character of the work done or the work actually performed." This Court can judge the reasonableness of Plaintiffs' attorney's fees in light of the *Brunzell* factors without resorting to the drastic and draconian slashing that the Lytle Trust urges.

#### 2. Clerical Tasks Should be Compensable in this Case

The Lytle Trust asserts that clerical tasks, including calendaring, internal filing, downloading documents, preparing exhibits, etc., are not compensable. The Lytle Trust also points out that there seems to be something wrong with all CJ&M partners working on the case. CJ&M is a small law firm. There are currently only six (6) attorneys, no paralegals and one (1) law clerk. None of the attorney's has their own assigned staff. Further, CJ&M's malpractice insurance policy requires that all calendaring be done by at least two (2) different persons. Therefore, calendaring is performed by the attorney's themselves in duplicate and recorded in their time records to demonstrate compliance with their carrier requirements. In any event, calendaring is an extremely quick task and the Court can easily determine whether a block entry containing calendaring is reasonable.

In *Missouri v. Jenkins*, 491 U.S. 275, 288 n. 10 (1989), cited by the Lytle Trust, the Supreme Court states, "It is appropriate to distinguish between legal work, in the strict sense, and investigation, clerical work, compilation of facts and statistics and other work which can often be accomplished by non-lawyers but which a lawyer may do because he has no other help available. Such non-legal work may command a lesser rate. Its dollar value is not enhanced just because a lawyer does it."

Here, CJ&M gives thought to their rate and the kinds of tasks the attorney's perform because of lack of support staff when deciding their hourly rate on a case. CJ&M's hourly fee in this case is a reflection of that consideration. CJ&M's \$260.00 per hour is much less than most

firms charge for an hourly fee with the experience that CJ&M has. As a relevant example, a review of the attorney's fees charged by Richard Haskins in the underlying Rosemere Judgments shows that he was charging \$340 per hour to the Lytle Trust in 2016. *See* Affidavit of Richard Haskin in Support of Motion for Attorneys' Fees filed in Case No. A-10-631355-C, attached hereto as Exhibit 13; Declaration of Wesley J. Smith, ¶ 12 attached hereto.

In another case cited by the Lytle Trust, *Adkins v. Comm'r of Soc. Sec.*, 393 F.Supp.3d 713, 720 (N.D. Ohio 2019), the Court there held that "Counsel's affidavit includes eight entries that, at least in part, seek compensation for 'tickling,' or calendaring the case for deadlines or other tasks. (Doc. 19-1 at 2-3). Such work is not compensable, and I will reduce each such entry by 0.2 hours, a 1.6-hour reduction." *Adkins* is not persuasive because the 0.2 hour reduction does not appear on its face to be realistic to the time it actually takes to put an event on a calendar. Moreover, the Lytle Trust's suggested reductions (\$1,586 for calendaring; \$23,374.00 for receiving, downloading and preparing documents) are outrageous. Again, the Lytle trust has included the amount for the entire entry instead of a portion of the billings. CJ&M would not be in business if they charged that much money for such tasks alone. If this Court finds that any reduction is necessary for these tasks, a reduction of 0.1 hours per entry would be far more appropriate and a closer approximation of the time actually spent. However, as explained above, this type of work by the attorneys was considered when providing the lower hourly rate and should be included in the fee award to Plaintiffs.

#### 3. Corroborative Work is Necessary and Valuable

CJ&M should not be punished for using more than one (1) attorney on this case. The Lytle Trust has asserted that inter-office conferences and emails between attorneys should only be billed by one (1) attorney. However, as one court stated in rejecting a challenge to fees based on the identical methodology employed by the Lytle Trust, "A conference with only one participant is no longer a conference. The upshot of accepting [the defendant's] view would be to hold that all conferencing by Plaintiff's attorneys was excessive and duplicative." *Chin v.* 

DaimlerChrysler Corp., 520 F.Supp.2d 589, 605 (D.N.J. 2007) (reversed on other grounds). The better view is that "Conferences between attorneys ... are necessary, valuable, and often result in greater efficiency and less duplication of effort, thus requiring fewer hours overall." Avaya Inc. v. Telecom Labs, Inc., 2016 WL 1059007 \* 33 (D.N.J., September 15, 2016) (citing Apple Corps. v. Int'l Collectors Soc'y, 25 F.Supp.2d 480, 488 (D.N.J. 1998)).

This is the view taken by CJ&M and the Plaintiffs. CJ&M works in a collaborative environment, which enhances the representation of the client and the quality of its work product. CJ&M attorneys frequently conference and communicate with each other regarding the issues presented in their cases and collaborate on the drafting of court documents to ensure that well-reasoned, soundly researched, and coherent arguments are presented to the courts. Their clients and the courts benefit substantially from this practice. The Lytle Trust has failed to provide any evidence or argument that any conference was excessive or duplicative — only that such conferences occurred. Considering the length of this case and the issues involved, it makes sense that the attorneys at CJ&M would discuss the issues in preparation for their case. Plaintiffs should not be punished for holding interoffice conferences or exchanging emails because such are valuable and resulted in greater efficiency in the instant case. Smith Declaration ¶ 13.

#### 4. Attorney's Working on the Same Task is Not Necessarily Duplicative

The Lytle Trust presents billings that presumably show CJ&M attorneys working on the same tasks. However, it is not unusual for multiple attorneys to research, write, review and revise the same pleadings and work product in a collaborative effort. "A trial court may reasonably award attorney fees that include time for work performed by several attorneys from one law firm on a single case." *Attard v. Citizens Ins. Co. of Am.*, 237 Mich.App 311, 328–330, 602 NW2d 633 (Mich. Ct. App. 1999). "With respect to the other two attorneys who worked on the appeal . . . The hours claimed were neither unnecessary, excessive, or duplicative. There is no support for the Commission's finding. . .that having a panel of two attorneys during a moot court session is unreasonably duplicative." *Tenants of 710 Jefferson Street, NW v. D.C. Rental Hous. Com'n*, 123

A.3d 170, 198-199 (D.C. 2015). In the instant case, several CJ&M attorneys worked on this case together and reviewed and revised each other's pleadings. This is the normal course of action for CJ&M, which brought great results in this case and many other cases.

#### 5. CJ&M Billing Statements Provide Sufficient Detail

The Lytle Trust asserts that some billing entries are too vague to determine if the fees expended are reasonable. However, a review of the "vague entries" show that many provide sufficient detail in light of the circumstances of the case like "Review Pleadings and Orders filed" and "Review All Appellate Proceedings", "Review Pleadings in Appeal" billed in October and November 2018. During this time, the Lytle Trust filed its Docketing Statement and Motion to Consolidate, which the Plaintiffs opposed. Also, a Stipulation and Order were filed on December 12, 2018, thus coordinating with the billing on December 13, 2018. Similarly, billings in January 2019 coordinate with filings from the Appellate Court including an Order to Consolidate. These hours were reasonably expended and coordinate with the timing and circumstances of the case.

#### E. The Brunzell Factors Weigh in Favor of Plaintiffs

The Lytle Trust asserts that the work done by Plaintiffs was routine and though hotly contested was not difficult. However, what the Lytle Trust fails to consider is that they might qualify as a "vexatious litigant" in that they have repeatedly filed frivolous lawsuits and appeals in an apparent attempt to harass the Plaintiffs and abuse the court process. *See Black's Law Dictionary* 952 (8th ed. 2004). Further, what the Lytle Trust chooses to ignore is that Plaintiffs gave the Lytle Trust opportunities to simplify and reduce the attorney's fees incurred in this litigation at key points. The Lytle Trust chose not to. The Lytle Trust has not disputed this in their Opposition. Simply because a case does not present difficult issues does not mean that the case can be handled in short order. This Court is well aware of the tortured history of these matters. The consolidated cases alone have been proceeding for at least three years and produced countless motions, hearings, and no fewer than five separate appeals. The "easiness" of the work

argument is further suspect since the Lytle Trust has now hired two (2) different law firms in this consolidated case alone.<sup>2</sup> If this case was so easy and routine why keep hiring new attorneys? Perhaps the true difficulty of this matter lies in the fact that the Lytle Trust continues to push its legally unreasonable and unsupported positions no matter how many times they lose. The fees incurred in this Case have been necessary in order for the Plaintiffs to defend themselves from the Lytle Trust's violations of law and obtuse litigation strategies.

#### F. Plaintiffs Are Entitled to a Standing Order for All Future Fees

In order to simplify matters, Plaintiffs have requested that this Court award all additional fees incurred. This makes sense if this Court awards fees pursuant to the CC&Rs because the Plaintiffs are the prevailing parties and should be awarded all their fees to prosecute this case to completion.

#### II.

#### **CONCLUSION**

As referenced through this Reply, the Lytle Trust's Judgments against the Association are based, in large part, on an award of attorney's and costs. *See* Exhibit 8 (awarded fees and costs in the amount of \$297,072.66 by Judge Leavitt in Case No. A-09-593487 and \$274,608.28 by Judge Bare in Case No. A-10-631355-C). The Lytle Trust has attempted to attack the Plaintiffs' request for fees and costs here on grounds of block billing, clerical or administrative work, collaborative work by multiple attorneys, attorney conferences, fees on appeal, etc. A review of the fee statements underlying the Lytle Trust's fee awards shows these same features through the billings. *See*, *e.g.*, Exhibit 13 at 90 (statement dated 4/1/2012 showing entries for clerical tasks like filing and calendaring), 102 (statement dated 8/1/2012 showing block billing, multiple attorney's billing on the case, multiple attorney's billing for the same task on the same date, emails between attorneys), 133 (statement dated 2/1/2014 showing billing for work on appeal),

<sup>&</sup>lt;sup>2</sup> The Lytle Trust was awarded fees and costs for work by four different law firms. *See* Exhibit 13 at 4.

145 (statement dated 10/1/2014 showing conferences between attorneys). The Lytle Trust was awarded fees despite these practices, yet asks this Court to reduce the Plaintiffs fees on that basis relying on non-binding cases from other jurisdictions. The Court should reject these arguments.

The time and effort put into this case by Plaintiffs' counsel was both necessary to the cause and reasonable. Plaintiffs have succeeded in every aspect of this Case at thwarting the Lytle Trust's repeated efforts to collect the Rosemere Judgments from the Plaintiffs and act beyond the scope of the Original CC&Rs and NRS 116. The amount of attorney's fees requested are reasonable and should be awarded to the Plaintiffs in total. The Court should award attorney's fees and costs to the Plaintiffs in the amount of \$153,548.28 for the time period of May 23, 2018 through April 30, 2020 and allow the Plaintiffs the opportunity to present other attorney's fees and costs as this matter continues. The Court should Order that all monies be paid within 30 days of the Notice of Entry of Order filed with the Court.

DATED this 29th day of June, 2020.

#### CHRISTENSEN JAMES & MARTIN

By: <u>/s/ Wesley J. Smith, Esq.</u> Wesley J. Smith, Esq. Nevada Bar No. 11871 7440 W. Sahara Avenue Las Vegas, NV 89117

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

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

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#### CERTIFICATE OF SERVICE

I am an employee of Christensen James & Martin. On June 29, 2020, I caused a true and correct copy of the foregoing Reply to Defendant Lytle Trust's Opposition to Plaintiffs' Motion for Attorney's Fees and Costs, to be served in the following manner:

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

Liz Gould (liz@foleyoakes.com)
Daniel Foley (Dan@foleyoakes.com)

Joel Henriod (JHenriod @LRRC.com)

Daniel Polsenberg (DPolsenberg@LRRC.com)

Dan Waite (DWaite@LRRC.com)
Luz Horvath (lhorvath@lrrc.com)

Lisa Noltie (Inoltie@lrrc.com)
Christina Wang (christina.wang@fnf.com)

FNLG Court Filings (FNLG-Court-Filings-NV@fnf.com)

Maren Foley (maren@foleyoakes.com)

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Daniel Hansen (dhansen@gibbsgiden.com)

/s/ Natalie Saville

Natalie Saville

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             DECL
             CHRISTENSEN JAMES & MARTIN
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             KEVIN B. CHRISTENSEN, ESQ. (175)
             WESLEY J. SMITH, ESQ. (11871)
             LAURA J. WOLFF, ESQ. (6869)
         3
             7440 W. Sahara Avenue
         4
             Las Vegas, Nevada 89117
             Tel.: (702) 255-1718
         5
             Facsimile: (702) 255-0871
             Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com
             Attorneys for September Trust, Zobrist Trust, Sandoval Trust,
         6
             and Dennis & Julie Gegen
         7
                                    EIGHTH JUDICIAL DISTRICT COURT
         8
                                          CLARK COUNTY, NEVADA
         9
              MARJORIE B. BOULDEN, TRUSTEE OF
                                                             Case No.: A-16-747800-C
  7440 West Sahara Ave., Las Vegas, Nevada 89117
        10
              THE MARJORIE B. BOULDEN TRUST, et
                                                             Dept. No.: XVI
    PH: (702) 255-1718 § FAX: (702) 255-0871
CHRISTENSEN JAMES & MARTIN
                                                             DECLARATION OF COUNSEL IN
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                                  Plaintiffs,
                                                             SUPPORT OF REPLY TO
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                                                             DEFENDANT LYTLE TRUST'S
                                                             OPPOSITION TO PLAINTIFFS'
                     VS.
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                                                             MOTION FOR ATTORNEY'S
              TRUDI LEE LYTLE, et al.,
                                                             FEES AND COSTS
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                                  Defendants.
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              SEPTEMBER TRUST, DATED MARCH 23,
                                                             Case No.: A-17-765372-C
              1972, et al.,
                                                             Dept. No.: XVI
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                                  Plaintiffs,
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                                                             Consolidated
              VS.
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              TRUDI LEE LYTLE AND JOHN ALLEN
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              LYTLE, AS TRUSTEES OF THE LYTLE
              TRUST, et al.,
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                                  Defendants.
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                                 DECLARATION OF WESLEY J. SMITH, ESQ.
        25
             STATE OF NEVADA)
                                   :ss.
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             COUNTY OF CLARK)
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                    Wesley J. Smith, Esq., being first duly sworn and under penalty of perjury of the laws of
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             the United States of America and the State of Nevada:
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- 1. I am at least 18 years of age and of sound mind. I personally prepared this Declaration and I am familiar with all factual statements it contains, which I know to be true and correct, except for any statements made on information and belief, which statements I believe to be true. I am competent to testify to the same and would so testify if called upon as a witness.
- 2. I am an attorney licensed to practice before all state and federal courts of the State of Nevada.
- 3. I am a partner and shareholder in Christensen James & Martin, Chtd. ("CJM"), counsel for the Plaintiffs, September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Jule Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust Dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife as Joint Tenants (hereafter "Gegen") (collectively referred to as "Plaintiffs") in the above-captioned case.
- 4. I make this Declaration in support of Reply to Defendant Lytle Trust's Opposition to Plaintiffs' Motion for Attorney's Fees and Costs ("Reply").
- 5. Exhibit 8 contains true and correct copies of the Notice of Entry of Order Granting Punitive Damages After Hearing entered in Case No. A-10-631355-C on May 15, 2017 and Order on Plaintiffs John Allen Lytle and Trudi Lee Lytle's Motion for Attorneys' Fees entered in Case No. A-09-593487-C on June 3, 2016.
- 6. Exhibit 9 are true and correct copies of highlighted billing statements from Christensen James & Martin ("CJ&M") to the Plaintiffs September Trust, Zobrist Trust, Sandoval Trust and Gegen, respectively, which detail the tasks performed and attorney's fees and costs incurred from May 23, 2018 through April 30, 2020, highlighted according to the following colors: Yellow is the district court pre-appeal, blue is appeal, green is contempt, and pink is specific to the receiver case.
- 7. Exhibit 10 is a true and correct copy of the Reporters Transcript of Motion for Attorney's Fees and Costs dated May 16, 2019.

- 8. Exhibit 11 is a true and correct copy of Appellants' Opening Brief (Docket No. 76198).
- 9. Exhibit 12 is a true and correct copy of the Renewed Application for Appointment of Receiver filed on October 24, 2019.
- 10. Exhibit 13 is a true and correct copy of the Affidavit of Richard Haskin in Support of Motion for Attorneys' Fees filed in Case No. A-10-631355-C.
- 11. CJ&M is a small law firm. There are currently only six (6) attorneys, no paralegals and one (1) law clerk. None of the attorney's has their own assigned staff.
- 12. CJ&M's malpractice insurance policy requires that all calendaring be done by at least two (2) different persons. Therefore, calendaring is performed by the attorney's themselves in duplicate and recorded in their time records to demonstrate compliance with their carrier requirements. In any event, calendaring is an extremely quick task and would comprise only a small fraction of any block time entry, likely less than 0.1 of an hour.
- 13. CJ&M works in a collaborative environment, which enhances the representation of the client and the quality of its work product. CJ&M attorneys frequently conference and communicate with each other regarding the issues presented in their cases and collaborate on the drafting of court documents to ensure that well-reasoned, soundly researched, and coherent arguments are presented to the courts. Their clients and the courts benefit substantially from this practice.
- 14. CJ&M gives thought to their rate and the kinds of tasks the attorney's perform because of lack of support staff when deciding their hourly rate on a case. CJ&M's hourly fee in this case is a reflection of that consideration. CJ&M's \$260.00 per hour is much less than most firms charge for an hourly fee with the experience that CJ&M has.
- 15. I have reviewed the attorney's fees charged by the Lytle Trust's attorney's (Exhibit 13), which show that its counsel was billing \$340 per hour in 2016.
- 16. The Lytle Trust has attempted to attack the Plaintiffs' request for fees and costs on grounds of block billing, clerical or administrative work, collaborative work by multiple

attorneys, attorney conferences, fees on appeal, etc. A review of the fee statements underlying the Lytle Trust's fee awards shows these same features throughout the billings. *See*, *e.g.*, Exhibit 13 at 90 (statement dated 4/1/2012 showing entries for clerical tasks like filing and calendaring), 102 (statement dated 8/1/2012 showing block billing, multiple attorney's billing on the case, multiple attorney's billing for the same task on the same date, emails between attorneys), 133 (statement dated 2/1/2014 showing billing for work on appeal), 145 (statement dated 10/1/2014 showing conferences between attorneys). The Lytle Trust was awarded fees despite these practices, yet asks this Court to reduce the Plaintiffs fees on that basis relying on non-binding cases from other jurisdictions. The Court should reject these arguments.

17. I submit that Plaintiffs' attorney's fees and costs were actually and necessarily incurred and are reasonable.

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Further your affiant sayeth naught.

DATED this 29th day of June, 2020.

<u>/s/ Wesley J. Smith</u> Wesley J. Smith, Esq.

# Exhibit 8

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## Exhibit 8

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ORDR
Richard E. Haskin, Esq.
Nevada State Bar # 11592
Bryan M. Gragg, Esq.
CLERK OF THE COURT

Nevada State Bar # 13134
GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP

7450 Arroyo Crossing Parkway, Suite 270 Las Vegas, Nevada 89113-4059 (702) 836-9800

Attorneys for Plaintiff JOHN ALLEN LYTLE and TRUDI LEE LYTLE

#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

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

Plaintiffs,

V.

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

Defendants.

CASE NO. A-09-593497-C Dept.: XII

ORDER ON PLAINTIFFS JOHN ALLEN LYTLE AND TRUDI LEE LYTLE'S MOTION FOR ATTORNEYS' FEES

On May 2, 2016, Plaintiffs John Allen Lytle and Trudi Lee Lytle ("Plaintiffs") Motion for Attorneys' Fees came on regularly for hearing, the Honorable Michelle Leavitt presiding. Plaintiffs appeared through counsel, Richard E. Haskin of Gibbs, Giden, Locher, Turner, Senet & Wittbrodt, LLP. There was no appearance for Defendant Rosemere Estates Property Owners' Association ("Defendant"). Defendant did not file an opposition to the Motion and did not make an appearance at the hearing.

Having considered the moving papers, the affidavits and declarations filed concurrently therewith, and the exhibits attached thereto, the Court finds that as the prevailing party, Plaintiffs are entitled to an award of attorney fees under the Original CC&Rs, the Amended CC&Rs and NRS § 116.4117.

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The plain terms of the Original CC&Rs authorize an award of fees in favor of Plaintiffs. As the Original CC&Rs provide, in pertinent part:

- 24. Except as otherwise provided herein, Subdivider or any owner or owners of any of the lots shall have the right to enforce any or all of the provisions of the covenants, conditions, and restrictions upon any other owner or owners. In order to enforce said provision or provisions, any appropriate judicial proceeding in law or in equity may be initiated and prosecuted by any lot owners or owners against any other owner or owners.
- 25. Attorney's Fees: In any legal or equitable proceeding for the enforcement of or to restrain the violation of the Declaration of Covenants, Conditions and Restrictions or any provision thereof, the losing party or parties shall pay in such amount as may be fixed by the court in such proceeding.

See Original CC&Rs, ¶ 24, 25. Plaintiffs prevailed in enforcing the Original CC&Rs (by obtaining a declaration from this Court that that the Amended CC&Rs are invalid and that Defendant did not have the powers it claimed to have) and prevailed in restraining the violation of the Original CC&Rs (by obtaining injunctive relief prohibiting Defendant from enforcing the Amended CC&Rs and requiring public notice of their revocation). According, Plaintiffs are entitled to an award of attorney fees, pursuant to the terms of the Original CC&Rs.

Further, the Amended CC&Rs also contain a mandatory fee shifting provision entitling Plaintiffs to an award of attorney fees. As provided in the Amended CC&Rs, Section 16.1(a):

16.1(a) In the event the Association, or any Owner shall commence litigation or arbitration to enforce any of the covenants, conditions, restrictions or reservations contained in the Governing Documents, the prevailing party in such litigation or arbitration shall be entitled to costs of suit and such attorney's fees as the Court or arbitrator may adjudge reasonable and proper.

See Amended CC&Rs, § 16.1(a).

A litigant can recover attorneys' fees when a contract, such as the Amended CC&Rs, is held unenforceable. *Mackintosh v. California Federal Sav. & Loan Ass'n* (1997) 113 Nev. 393, 405-406, 935 P.2d 1154, 1162.

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Finally, Plaintiff are also entitled to an award of attorney fees pursuant to NRS 116.4117. NRS 116.4117 provides as follows:

- 1. Subject to the requirements set forth in subsection 2, if a declarant, community manager or any other person subject to this chapter fails to comply with any of its provisions or any provision of the declaration or bylaws, any person or class of persons suffering actual damages from the failure to comply may bring a civil action for damages or other appropriate relief. . .
- 4. The court may award reasonable attorney's fees to the prevailing party.

The term "damages" in the phrase "suffering actual damages" refers to damages in the general sense of specifically provable injury, loss, or harm rather than the specific sense of economic damages. Whether quantifiable as a monetary loss or not, Plaintiffs suffered an injury, loss or harm as a result of the Association's actions. Accordingly, under the statute they had the right to bring a civil action for damages or other appropriate relief and, having, prevailed thereon may be awarded their reasonable attorney fees as the prevailing party.

Plaintiffs' attorneys' fees, as set forth in the Motion, satisfy the factors set forth in Brunzell v. Golden gate Nat'l Bank (1969) 85 Nev. 345, 349, 455 P.2d 31, 33. The Court considered all of the factors and applied them to Plaintiffs' request for attorneys' fees. Specifically, the Court considered and applied:

- 1. The qualities of the advocate, *i.e.* his ability, training and experience;
- 2. The character of the work done, it's difficulty, intricacy, importance, time and skill required,;
- 3. The work actually performed by the attorneys;
- The result, i.e. whether the attorney was successful in achieving a result of the client.

The Court applied each of the foregoing Brunzell factors to the work performed by Plaintiffs' attorneys, as set forth in the various affidavits and declarations presented to this Court with the moving papers. The Court finds that Plaintiffs are entitled to an award of \$297,072.66 in attorneys' fees as the prevailing party in this action, having achieved the revocation of the Amended CC&Rs and removing the cloud on title to their property.

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Therefore, the Court orders as follows:

IT IS ORDERED that Plaintiffs' Motion for Attorneys' Fees is granted, and Plaintiffs are awarded \$297,072.66 in attorneys' fees.

IT IS SO ORDERED this 25 day of May, 2016.

HONORABLE MICHELLE LEAVITT

District Court Judge, Dept. XII RL

DATED: May 19, 2016

GIBBS GIDEN LOCHER TURNER SENET & WILLBROOT LLP

By:

Richard E. Haskin, Esq. Nevada State Bar # 11592 7450 Arroyo Crossing Parkway, Suite 270 Las Vegas, Nevada 89113-4059

Attorneys for Plaintiff

JOHN ÄLLEN LYTLE and TRUDI LEE LYTLE

Electronically Filed 5/15/2017 9:31 AM Steven D. Grierson CLERK OF THE COURT

1 OGM Richard E. Haskin, Esq. 2 Nevada State Bar # 11592 GIBBS GIDEN LOCHER TURNER 3 SENET & WITTBRODT LLP 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144-0596 Telephone: (702) 836-9800 4 5 E-mail: rhaskin@gibbsgiden.com 6 Attorneys for Plaintiffs JOHN ALLEN LYTLE and 7 TRUDI LEE LYTLE

#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

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

#### Plaintiffs.

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ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION, a Nevada non-profit corporation; and DOES I through X, inclusive,

#### Defendants.

ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION, a Nevada non-profit corporation; and DOES I through X, inclusive,

#### Counterclaimants.

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

#### Counterdefendants.

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CASE NO. A-10-631355-C

Dept.: XXXII

ORDER GRANTING PLAINTIFF JOHN ALLEN LYTLE AND TRUDI LEE LYTLE'S, AS TRUSTEES OF THE LYTLE TRUST, PUNITIVE DAMAGES AFTER HEARING

Hearing Date: March 21, 2017 Hearing Time: 9:30 a.m.

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On April 25, 2017, Plaintiffs John Allen Lytle and Trudi Lee Lytle, as Trustees of the Lytle Trust, ("Plaintiffs") Motion for Damages came on regularly for hearing, the Honorable Rob Bare presiding. Plaintiffs appeared through counsel, Richard E. Haskin, Esq. of Gibbs Giden Locher Turner, Senet & Wittbrodt, LLP. The Court held an evidentiary hearing, and Plaintiffs presented Trudi Lee Lytle as a witness. There was no appearance for Defendant Rosemere Estates Property Owners' Association ("Association"). The Association did not file an opposition to the Motion for Damages and did not make an appearance at the hearing.

Having considered the Motion, the testimony of Trudi Lee Lytle at hearing, and the exhibits admitted during the hearing, having also heard the arguments of counsel, the pleadings and papers on file herein, and good cause appearing therefore, the Court finds:

- The Lytles prevailed on summary judgment with respect to their slander of title claim. 1. Order, Conclusions of Law, ¶¶ 16-27.
- 2. Plaintiffs suffered damages as a result of the Board's retaliatory actions in the form of attorneys' fees and costs incurred in removing the cloud on title. Summa Corp. v. Greenspun, 98 Nev. 528, 532, 655 P.2d 513, 515 (1982).
- 3. Plaintiffs planned to build a dream home in the Rosemere Estates community, and the actions taken by the Board with respect to the recording of the three liens against Plaintiffs' property were intentionally and directly targeted at Plaintiffs in order to prevent them from ever moving into the community.
- 4. The Association, through its Board, recorded three (3) improper and unlawful liens against Plaintiff's Property. Each lien incorporated the prior lien amount, reaching a total of \$209,883.19, when the only amount that had been adjudicated and could possibly be subject to lien, if at all, was \$52,255.19. With respect to this amount, Plaintiffs posted a bond in that amount which was deemed, by the Association, as good and sufficient. Hence, any lien was unnecessary.
- 5. The Court finds that the Association did not have a right to have any of these liens recorded against Plaintiffs' Property.
  - 6. The totality of the liens made it impossible for Plaintiffs to sell the Property.

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- 7. The Association's actions were clearly taken in order to prevent Plaintiffs from building their dream home and ever residing in the community.
- 8. Once more, Plaintiffs underwent financial hardship in posting the various bonds in order to appeal this action (and other actions).
- 9. This matter commenced with the unlawful amendment in July 2007 and did not conclude until the Supreme Court affirmed the District Court's ruling that the Association's conduct was, indeed, unlawful and in violation of the Lytles' rights as homeowners, subjecting Plaintiffs to years of costly litigation.
- 10. The Association suspended the Plaintiffs' voting rights, the right to run for the Board, blocked Plaintiffs' attendance at meetings, and suspended membership privileges, all without complying with Article 12, Section 1.2(d) of the Amended CC&Rs and NRS 116.31041(2).
- 11. The Association's retaliatory actions did, indeed, cost Plaintiffs their dream home, and Plaintiffs cannot now afford to build on the property they purchased long ago.
- 12. The evidence presented by Plaintiffs provides ample and clear and convincing evidence that the Association's actions were malicious and taken with the clear intent to injure the Lytles through causing them financial and emotional distress.
  - 13. The Association is, therefore, guilty of civil oppression and malice.
- 14. The Court previously found and awarded attorneys' fees in the amount of \$274,608.28.

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Therefore,

IT IS HEREBY ORDERED that that Plaintiffs' be awarded punitive damages in the amount of \$823,824.84 pursuant to NRS 42.005.

DATED this // day of May, 2017.

HONORABLE ROB BARE DISTRICT COURT JUDGE

TUB BAKE JUDGE, DISTRICT COURT, DEPARTMENT

Submitted by:

GIBBS GIDEN LOCHER TURNER, SENET

& WITTBRODT LLP 

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

1140 N. Town Center Drive, Suite 300

Las Vegas, Nevada 89144

Attorneys for Plaintiffs 

JOHN ALLEN LYTLE and TRUDI LEE LYTLE

## Exhibit 9

000743

## Exhibit 9

### **STATEMENT**

Christensen James & Martin

**History of Billing** 

7440 W. Sahara Ave. Las Vegas, NV 89117 702/255-1718 702/255-0871 Fax

Carma@CJMLV.com

Gerry R. Zobrist and Jolin G. Zobrist Family Trust

1901 Rosemere Court Las Vegas, NV 89117 Attn: Gerry R. Zobrist

May 12, 2020

#### **Professional Services**

		Hrs/Rate	Amount
5/23/2018 - LJW	Preparation of Memorandum of Costs	0.43 260.00/hr	110.50
5/24/2018 - LJW	Conference with W Smith regarding Fees and Costs; review Bills to redact Privileged Information; conference with Clerk	0.48 260.00/hr	123.50
- WJS	Email from L Wolff regarding Motion for Fees; review signed Order; conference with Clerk regarding filing Order; preparation of Notice of Entry of Order; review draft Notice of Entry; conference with L Wolff regarding Motion for Fees, review Billing Statements	0.25 260.00/hr	65.00
5/28/2018 - LJW	E-mails to and from Clerk regarding Notice	0.03 260.00/hr	6.50
5/29/2018 - LJW	Preparation of Motion for Fees; preparation of Declaration for Fees; preparation of Exhibits	0.63 260.00/hr	162.50
5/30/2018 - LJW	Preparation of Declaration for Fees; preparation of Exhibits for Motion; review Billings for Privilege; telephone call to Clerk regarding Redaction of Privileged Information; preparation of Spreadsheet calculating Fees and Costs	0.58 260.00/hr	149.50
5/31/2018 - DEM	Preparation of documents for Disclosure in Motion for Fees; conference with W Smith	0.13 260.00/hr	32.50
- LJW	Preparation of Declaration for Fees; preparation of Exhibits for Motion; preparation of Spreadsheet calculating Fees and Costs	0.38 260.00/hr	97.50
- WJS	Review redacted Fee Statements; prepare for filing; review and redline draft Motion for Fees, associated Research and Citation Check; review and redline Declaration in Support of Fees Motion	1.38 260.00/hr	357.50

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#### Gerry R. Zobrist and Jolin G. Zobrist Family Trust

			Hrs/Rate	Amount
6/1/2018 -	WJS	Revise Motion, Declaration and Memo of Costs; conference with Clerk regarding Fee Statements; email to L Wolff; review Rules regarding Timing	0.28 260.00/hr	71.50
-	LJW	Telephone call with W Smith regarding Motion for Attorney's Fees and Costs; telephone call with Clerk regarding redaction of Bills; review revisions to Motion	0.13 260.00/hr	32.50
6/4/2018 -	WJS	Emails to and from L Wolff; revise Fees Motion and related Documents	0.20 260.00/hr	52.00
-	LJW	Review and revise Memorandum of Costs, Declaration of W. Smith, Motion for Attorney's Fees and Costs, Exhibits and update Summary of Fees and Costs; telephone call to Clerk regarding redaction and filing updated Billing Summary	0.55 260.00/hr	143.00
6/5/2018 -	WJS	Review Notices from Court; review filings; calendar Hearing Date; email to L Wolff regarding Notice of Hearing	0.08 260.00/hr	19.50
6/6/2018 -	LJW	Preparation of Notice of Hearing; emails to and from W Smith regarding Notice; emails to and from Clerk regarding Notice; review filed Pleadings	0.15 260.00/hr	39.00
6/11/2018 -	LJW	Review Motion to Retax Costs; email to W Smith regarding Motion; email to Clerk regarding Receipts; Research Evidence of Costs	0.43 260.00/hr	110.50
6/12/2018 -	LJW	Research Memorandum and Evidence of Costs; telephone call to Clerk regarding Receipts and Spreadsheet; preparation of Opposition to Motion to Retax Costs	0.48 260.00/hr	123.50
6/13/2018 -	WJS	Email from R Haskin; emails to and from L Wolff; review NRAP; emails to and from R Haskin regarding Request for Stipulation on Appeal Reply	0.20 260.00/hr	52.00
-	LJW	Preparation of Opposition to Motion to Retax Costs; emails to and from W Smith regarding request to file Reply; Research Issues related to Replies to Amicus Brief; telephone call with Clerk regarding Costs	0.58 260.00/hr	149.50
6/14/2018 -	LJW	Research Costs Awarded by District Courts and preparation of Opposition to Motion to Retax Costs	0.33 260.00/hr	84.50
6/15/2018 -	WJS	Emails to and from L Wolff; review and revise Opposition to Motion to Retax Costs and Support Declarations; telephone call from L Wolff; conference with K Christensen	0.38 260.00/hr	97.50
-	LJW	Preparation of Opposition to Motion to Retax Costs; revisions to Motion; preparation of Declaration for Opposition; preparation of Exhibits for Opposition; emails to and from W Smith; emails to and from Clerk	0.95 260.00/hr	247.00
6/19/2018 -	WJS	Review Notices from Court; review Notice of Appeal and Appeal Statement filed by Lytles; review Property Records regarding Recorded Releases; review NRAP regarding timing and Appeal; review Notice from Supreme Court; review Motion for Leave to File	0.35 260.00/hr	91.00

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		Hrs/Rate	Amount
	Response to Amicus Brief; email to D Foley and C Wang regarding Motion and Appeal Issues		
6/19/2018 - KE	Conference with W Smith regarding Appeal Notice and Fees Motion; calendar Brief Due Dates	0.05 260.00/hr	13.00
6/20/2018 - W	JS E-mails to and from D Foley; draft Opposition to Motion for Leave to Respond to Amicus Brief; email to D Foley	0.55 260.00/hr	143.00
- LJ	W Review Motion to File Amicus Brief; emails to and from W Smith regarding Amicus	0.10 260.00/hr	26.00
6/22/2018 - LJ	W Review Releases	0.10 260.00/hr	26.00
- W	JS Review Notice from Court; review Opposition to Motion for Fees; email to L Wolff regarding Reply; review Notice from Supreme Court; review Response to Motion to Respond to Amicus Brief (filed by Foley)	0.10 260.00/hr	26.00
6/25/2018 - LJ	W Review Pleadings; emails to and from W Smith regarding Motion	0.05 260.00/hr	13.00
6/26/2018 - KE	Conference with W Smith regarding Fees Motion, Appeal Brief, Consolidation and Client conference for Instructions	0.05 260.00/hr	13.00
- W	JS Review Notice from Supreme Court regarding Docketing of Notice of Appeal; review Record Transmitted by District Court; conference with K Christensen; email to Clients	0.23 260.00/hr	58.50
6/27/2018 - LJ	W Review Opposition; preparation of Reply to Opposition	0.18 260.00/hr	45.50
6/28/2018 - LJ	W Research Arbitration Requirement and CC&Rs preparation of Reply to Opposition	0.73 260.00/hr	188.50
- W	JS Review Notice from District Court; review Disman's Motion for Summary Judgment; emails to and from L Wolff	0.08 260.00/hr	19.50
6/29/2018 - LJ	W Preparation of Reply to Opposition to Motion for Attorney's Fees	0.38 260.00/hr	97.50
7/2/2018 - LJ	W Preparation of Reply to Opposition to Motion for Attorney's Fees; Research NRS 38.310	1.18 260.00/hr	305.50
- KE	Review Disman's Motion for Summary Judgment; conference with Clerk; calendar Hearing	0.10 260.00/hr	26.00
7/3/2018 - LJ	W Preparation of Reply to Opposition to Motion for Attorney's Fees; preparation of Affidavit for Reply	0.85 260.00/hr	221.00
7/5/2018 - W	JS Email from and telephone calls to and from L Wolff regarding Arguments for Reply Brief; review and revise Reply on Motion for Fees and Costs; Research; emails to and from L Wolff	0.45 260.00/hr	117.00

#### Gerry R. Zobrist and Jolin G. Zobrist Family Trust

Gerry R. 2	Zobrist	and Jolin G. Zobrist Family Trust		Page	4
			Hrs/Rate	Amo	<u>unt</u>
7/5/2018 -	LJW	Preparation of Reply to Opposition to Motion for Attorney's Fees; preparation of Affidavit for Reply; telephone call to W Smith; email to Clerk regarding filing; Research Liens and Possessor Interests; Research Lytles Defenses regarding recording Liens	0.83 260.00/hr	214.50	
7/6/2018 -	LJW	Review Order; calendar Hearing Date	0.03 260.00/hr	6.50	
-	WJS	Review Notice from Court regarding Rescheduled Hearing; emails to and from R Haskin and C Wang regarding Hearing Date	0.05 260.00/hr	13.00	
7/20/2018 -	LJW	E-mails to and from W Smith regarding Transcript; Research on Appellate Rules and Transcripts; email to opposing counsel	0.38 260.00/hr	97.50	
7/23/2018 -	WJS	Review Notice from Supreme Court; review Order Denying Motion to Respond to Amicus Brief	0.08 260.00/hr	19.50	
7/24/2018 -	WJS	E-mail from Counsel for Lytle; review Hearing Transcripts	0.10 260.00/hr	26.00	
7/25/2018 -	WJS	Review Motions, Oppositions, Replies and Exhibits related to Fees and Costs; prepare for Hearing on Motion	0.45 260.00/hr	117.00	
7/26/2018 -	WJS	Prepare for, attend and present Oral Argument at Hearing on Motion for Attorney's Fees and Costs; conference with C Wang regarding Disman Motion for Summary Judgment; review Docket and Opposition; conference with E James regarding Hearing; telephone call from C Wang	1.03 260.00/hr	266.50	
7/27/2018 -	KBC	Review Hearing Notice; calendar Hearing on Motion for Summary Judgment; conference with W Smith	0.03 260.00/hr	6.50	
7/30/2018 -	LJW	Review Case Statement; emails to and from opposing counsel; emails to W Smith; review Orders and Motions	0.15 260.00/hr	39.00	
8/2/2018 -	LJW	Review and download Pleadings filed by Dismans and Lytles	0.13 260.00/hr	32.50	
8/6/2018 -	LJW	E-mails to and from W Smith	0.03 260.00/hr	6.50	
-	WJS	Review Court Notices and Reply Brief from Dismans; emails to and from L Wolf regarding Hearing	0.23 260.00/hr	58.50	

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			Hrs/Rate	Amount
8/7/2018 -	WJS	E-mails to and from L Wolff and D Foley regarding Boulden & Lamothe Fee Motion; review Transcripts; preparation for Hearing	0.33 260.00/hr	84.50
-	LJW	Review Court Record regarding Attorney's Fees Motion; Research ruling in Boulden/Lamothe Case; emails to and from W Smith; Research Special Damages Cases	0.40 260.00/hr	104.00
8/8/2018 -	LJW	Review emails from Counsel for Boulden; emails to and from W Smith	0.03 260.00/hr	6.50
8/9/2018 -	WJS	Preparation for Hearing; attend Hearing on Fees and Costs Motion and Dismans Motion for Summary Judgment; file notes regarding Court Decision; conference with D Foley and C Wang at Courthouse regarding outcome of Hearing, Appeal Issues and strategy; conference with K Christensen regarding Court Order; Research Supersedeas Bonds; email to L Wolff regarding Summary of Court Decision and draft Order; telephone call from L Wolff regarding draft Order	0.80 260.00/hr	208.00
-	KBC	Conference with W Smith; review Order, Entry and Recording Procedures	0.05 260.00/hr	13.00
-	LJW	Telephone call to W Smith regarding Hearing and Case; preparation of Order	0.08 260.00/hr	19.50
8/10/2018 -	LJW	Preparation of proposed Order	0.18 260.00/hr	45.50
8/13/2018 -	LJW	Preparation of proposed Order; texts to and from W Smith	0.50 260.00/hr	130.00
8/14/2018 -	LJW	Preparation of proposed Order; review Motion; Research applicable NRS Statutes; email to W Smith	0.58 260.00/hr	149.50
8/15/2018 -	LJW	E-mails to and from W Smith	0.03 260.00/hr	6.50
-	WJS	E-mails from and to R Haskin; review and revise draft Order on Fees and Costs	0.35 260.00/hr	91.00
8/16/2018 -	WJS	Emails to and from R Haskin regarding draft Fee Order	0.025 260.00/hr	6.50
8/20/2018 -	WJS	Email from R Haskin; review and analyze redlines to draft Order; redline revisions to draft Order; emails to and from R Haskin; prepare draft Order; email to all Counsel	0.23 260.00/hr	58.50
8/21/2018 -	DEM	Conference with W Smith	0.08 260.00/hr	19.50
-	WJS	E-mails to and from R Haskin and D Foley	0.03 260.00/hr	6.50

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#### Gerry R. Zobrist and Jolin G. Zobrist Family Trust

		Hrs/Rate	Amount
8/28/2018 - LJW	Review and download Order; review Rules regarding Appeal Statement; email to W Smith	0.08 260.00/hr	19.50
9/12/2018 - WJS	Review Order; conference with Clerk regarding filing	0.03 260.00/hr	6.50
9/13/2018 - WJS	Review Order; conference with Clerk; review draft Notice of Entry of Order; review Notices from Court regarding filing Order and Notice of Entry; review Notice from NV Supreme Court regarding Submission of Boulden/Lamothe Appeal for Decision without Oral Argument; conference with K Christensen	0.08 260.00/hr	19.50
9/14/2018 - LJW	Review Notice of Appeal and Order regarding Hearing; emails to and from W Smith	0.10 260.00/hr	26.00
9/18/2018 - WJS	Review Amended Docketing Statement of Appeal	0.05 260.00/hr	13.00
- LJW	Review Pleading Statement	0.10 260.00/hr	26.00
9/21/2018 - WJS	Review Notices from Supreme Court regarding Attorney's Fees Appeal; review Notice from District Court regarding Order Denying Disman Motion for Summary Judgment; telephone call from C Wang	0.15 260.00/hr	39.00
9/24/2018 - KBC	Conference with Attorney; review Research; telephone call to Client regarding Fees Order Recordation	0.08 260.00/hr	19.50
- LJW	Review and download Case Appeal and other Pleadings	0.08 260.00/hr	19.50
- WJS	Email from R Haskin; Research Judgment, Appeal, Stay and Supersedeas Bond Statutes and Caselaw; emails to and from and conference with K Christensen; review Judgment Lien and Recording Procedures; draft Affidavit for Recording Judgment; conference with Clerk regarding Certified Judgment; review Certified Judgment and prepare for Recording	0.65 260.00/hr	169.00
10/1/2018 - WJS	Research and draft Response to Motion to Stay and Post Supersedeas Bond; prepare for filing; review Notice from Court; review Appeal Statement	0.50 260.00/hr	130.00
- LJW	Review Pleadings and Orders filed	0.03 260.00/hr	6.50
- ELJ	Review Opposition to Motion to Stay Judgment and Deposit Bond	0.05 260.00/hr	13.00
10/2/2018 - WJS	Review Notices from Court; emails to and from L Wolff regarding Appeal Deadlines; email from C Wang; review draft Order Denying Disman's Motion for Summary Judgment; email to C Wang with Comments	0.30 260.00/hr	78.00

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#### Gerry R. Zobrist and Jolin G. Zobrist Family Trust

			Hrs/Rate	Amount
10/3/2018 -	WJS	Telephone call from C Wang regarding draft Order on Disman Motion for Summary Judgment; Research Case impact; telephone call and email from Haskin's Office; review Stipulation to Continue Hearing on Stay and Bond; emails to and from Court; review Filings	0.15 260.00/hr	39.00
-	LJW	Review all Appellate Proceedings; Research and calendar Due Dates for Briefing Schedules; emails to and from W Smith	0.25 260.00/hr	65.00
10/4/2018 -	KBC	Review Order regarding Settlement Program Exemption; calendar Appeal Brief Due Date; conference with W Smith	0.05 260.00/hr	13.00
10/8/2018 -	KBC	Conference with W Smith regarding Appeal Consolidation Issues	0.05 260.00/hr	13.00
-	LJW	E-mails to and from W Smith; review filed Pleadings	0.08 260.00/hr	19.50
-	WJS	Draft email to Clients regarding update on Case; emails to and from L Wolff regarding Appeal Issues and potential Consolidation or Stay of later Appeals; conference with K Christensen	0.25 260.00/hr	65.00
10/9/2018 -	LJW	E-mails to and from W Smith; review Pleadings	0.03 260.00/hr	6.50
-	WJS	Revise and send email to Clients regarding Case update and Recommendation on Appeals	0.05 260.00/hr	13.00
-	KBC	Review Appeal Options and email	0.05 260.00/hr	13.00
10/17/2018 -	WJS	Review Notices from Supreme Court; review Motions to Consolidate Cases from Haskin; emails to and from Haskin to clarify Motion to Consolidate Request and Briefing; review Docketing Statement for Case	0.20 260.00/hr	52.00
10/18/2018 -	WJS	Emails to and from R Haskin regarding Motion to Consolidate; emails to and from and telephone call from D Foley regarding Opposition to Motion to Consolidate	0.08 260.00/hr	19.50
-	LJW	Review Docketing Statement and Motion to Consolidate; emails to and from W Smith	0.10 260.00/hr	26.00
10/19/2018 -	WJS	Review Notice from Court; review Opposition to Motion to Consolidate filed by D Foley	0.08 260.00/hr	19.50
10/23/2018 -	WJS	Preparation for Hearing; Appearance at Hearing; present Argument in Opposition to Motion to Stay Case pending Appeal; Research; review Nevada State Court Case regarding Fees and Costs Awards; telephone call from Counsel for Disman; conferences with L Wolff and K Christensen; Research regarding Advisory Opinions and Legal Advice from a Judge; review draft Opposition to Motion to Consolidate; review Notices from Court; review Joinder filed by Disman	0.85 260.00/hr	221.00