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[Proposed] Counsel for Victoria L. Nelson, Chapter 7 Trustee

Electronically Filed On: February 5, 2015

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re: AMERI-DREAM REALTY, LLC, Debtor.	Case No. BK-S-15-10110-LED Chapter 7 **DECLARATION OF VICTORIA L. NELSON IN SUPPORT OF OMNIBUS MOTION OF THE CHAPTER 7 TRUSTEE FOR ENTRY OF ORDER AUTHORIZING REJECTION OF EXECUTORY CONTRACTS PURSUANT TO 11 U.S.C. § 365(a)** Date of Hearing: *OST Pending* Time of Hearing: *OST Pending* Place: Courtroom No. 3, Third Floor Foley Federal Building 300 Las Vegas Blvd., S. Las Vegas, NV 89101 Judge: Honorable Laurel E. Davis

I, Victoria L. Nelson, declare as follows:

1. I am over the age of 18 years and I am competent to make this declaration. I have personal knowledge of the facts set forth herein, except for those facts stated on information and belief and, as to those facts, I am informed and believe them to be true. If called as a witness, I could and would testify as to the matters set forth below based upon my personal knowledge.

2. I am the appointed Chapter 7 Trustee in the above-captioned bankruptcy case.

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3. I make this declaration in support of the Omnibus Motion of the Chapter 7 Trustee for Entry of Order Authorizing the Rejection of Executory Contracts Pursuant to 11 U.S.C. § 365(a) (the "Motion").[1]

4. On January 9, 2015, Ameri-Dream Realty, LLC (the "Debtor") filed a voluntary bankruptcy pursuant to Chapter 7 of Title 11 of the United States Code [ECF No. 1].[2]

5. On January 9, 2015, I was appointed as the Chapter 7 Trustee in the Debtor's bankruptcy case [ECF No. 4].

6. The Debtor is a real estate brokerage firm that represented clients in the purchase and sale of real property throughout Las Vegas, Nevada.

7. The Debtor also had a property management division that managed thousands of rental properties for various landowners and tenants throughout Las Vegas, Nevada. As part of its property management division, the Debtor has executed the Property Management Agreements with landowners whereby the Debtor agreed to perform the following services: (a) the monthly collection of rents from tenants, (b) payment of Homeowner Association ("HOA") fees, (c) the general repair and maintenance of the properties at issue, and (d) the segregation of security deposits (the "Security Deposits") pursuant to Nevada Revised Statute ("N.R.S.") Chapter 645.

8. At the time of the Debtor's bankruptcy filing it was a party to hundreds of property management agreements.

9. After the filing of the Debtor's bankruptcy case, the Trustee was informed that the spouse of the Debtor's principal improperly transferred approximately One Million One Hundred Thousand Dollars ($1,100,000) from the Security Deposits to the Philippines. These actions have

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[1] Unless otherwise indicated, all chapter and section references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532, and to the Federal Rules of Bankruptcy Procedure, Rules 1001-9037. The Federal Rules of Civil Procedure will be referred to as "FRCP" and the Federal Rules of Bankruptcy Procedure will be referred to as "FRBP." The Local Rules of Practice for the United States Bankruptcy Court for the District of Nevada shall be referred to as the "Local Rules". Unless otherwise expressly stated herein, all undefined, capitalized terms shall have the meaning ascribed to them in the Motion.

[2] All references to "ECF No." are to the numbers assigned to the documents filed in the case as they appear on the docket maintained by the clerk of the court.

resulted in a significant deficiency in the amount of Security Deposits that the Debtor was required to hold in trust pursuant to the Property Management Agreements and N.R.S. Chapter 645.

10. As a result of the alleged embezzlement and significant deficiency of the Security Deposits, the Property Management Agreements cannot be sold, assigned, or otherwise transferred to third parties by the Trustee in good faith.

11. Under the terms of the Property Management Agreements and in accordance with Nevada State Law, the services must be performed by a licensed property manager working under a broker authorized by the Department of Business and Industry, Real Estate Division, further preventing me from assuming the Property Management Agreements.

12. On January 23, 2015, the Debtor filed its Schedules of Assets and Statement of Liabilities [ECF No. 10]. The Debtor's Schedule G identifies the significant number of Property Management Agreements that constitute executory contracts under Section 365.

13. A true and correct copy of one of the Property Management Agreements is attached hereto as **Exhibit "1"**. All of the Property Management Agreements are executed on identical real estate forms.

14. I have spoken with counsel for the Debtor and counsel for the majority of the Non-Debtor parties to the Property Management Agreements, and all are in agreement that rejection of the Property Management Agreements is in the best interest of the Estate.

15. On February 2, 2015, I filed an Ex Parte Motion for Leave to Reject More than One Hundred (100) Executory Contracts In A Single Motion Pursuant to Federal Rule of Bankruptcy Procedure 6006(f) (the "Ex Parte Motion") [ECF No. 21]. The Ex Parte Motion sought leave to reject more than one hundred of the Property Management Agreements as part of a single motion.

16. On February 3, 2015, the Court entered an Order Granting the Ex Parte Motion for Leave to Reject More than One Hundred (100) Executory Contracts In A Single Motion Pursuant to Federal Rule of Bankruptcy Procedure 6006(f) [ECF No. 24].

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17. A complete list of the Property Management Agreements that I am seeking to reject pursuant to this Motion are identified in Exhibit "1" that is attached to the Motion.

18. Pursuant to FRBP 6006(1) all parties receiving the Motion should review the Property Management Agreements identified in Exhibit "1" to determine if their Property Management Agreement would be rejected pursuant to this Motion.

19. Pursuant to FRBP 6006(f)(2), the Property Management Agreements identified in Exhibit "1" attached to the Motion are organized in alphabetical order according to the property owner's last name.

20. I believe that the rejection of the Property Management Agreements satisfies the business judgment standard because the vast majority of the Debtor's creditors are the parties to the Property Management Agreements. If the Property Management Agreements are not rejected by the Trustee, the property owners will have to wait for sixty (60) days from the Petition Date in order to enter into new property management agreements.

21. Since I will not be operating the Debtor's business under Section 721, the property owners need to locate new property managers to continue the maintenance of their real properties.

22. The rejection of the Property Management Agreements are further appropriate because of the alleged embezzlement by the spouse of the Debtor's principal.

23. Such an allegation prevents me from assuming and assigning the Property Management Agreements to third parties given the significant deficiencies in the Security Deposit Trust Accounts.

24. Finally, I have been informed by counsel for the some of the property owners that they consent to the rejection of the Property Management Agreements.

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

Dated this 5th day of February, 2015.

Victoria L. Nelson

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EXHIBIT "1"

RESIDENTIAL PROPERTY MANAGEMENT AGREEMENT

for

39 E. Agate Avenue #303
Las Vegas, NV 89123
(Property Address)

This PROPERTY MANAGEMENT AGREEMENT ("Agreement"), entered into this 22nd day of August, 2013, by and between [redacted] ("Owner") of the property described below ("Property") and Ameri-Dream Realty LLC ("Broker"), by and through its authorized agent Cynthia Weber ("Agent") who is duly licensed to manage the Property. In consideration of the mutual terms of this Agreement the parties agree as follows:

1. NOTICES. Any notices, demands, consents and reports necessary or provided for under this Agreement shall be in writing and shall be addressed as follows:

TO OWNER:		TO BROKER:	
Name:	[redacted]	Company Name:	Ameri-Dream Realty LLC
Address:	[redacted]	Address:	4875 W. Nevso Drive
	Huntington Beach, CA 92649		Las Vegas, NV 89103
Phone:	[redacted]	Phone:	(702)217-1472
Fax:		Fax:	(702)896-2629
Email:	[redacted]	Email:	CynthiaWeber@cox.net

All notices shall be faxed or emailed and sent by regular mail. Notices shall be effective as of the date the notice is faxed and mailed (whichever is later).

2. EMPLOYMENT OF MANAGING BROKER

(A) Employment and Acceptance. Owner employs Broker as the sole exclusive Agent of Owner to lease and manage the Property (which includes listing the Property for lease and securing a tenant), upon the terms and conditions provided herein. Broker accepts the employment and shall furnish the services of the organization for the management of the Property. Owner shall pay all of the expenses in connection with this service described herein. Owner understands and agrees that Broker's services will be performed through one or more authorized agents, and any reference to Broker in this Agreement includes such authorized agents.

(B) Relationship of Broker to Owner. The relationship of the parties to this Agreement shall be that of principal and agent, and all duties to be performed by Broker under this Agreement shall be on behalf of Owner, in Owner's name and for Owner's account. In taking any action under this Agreement, Broker shall be acting only as agent for Owner, and nothing in this Agreement shall be construed as creating a partnership, joint venture or any other relationship between the parties or as requiring Broker to bear any portion of losses arising out of or connected with the ownership or operation of the Property. Broker shall not at any time during the period of this Agreement be considered a direct employee of Owner. Neither party shall have the power to bind or obligate the other except as expressly set forth in this Agreement, except that Broker is authorized to act with such additional power as may be necessary to carry out the spirit and intent of this Agreement. Broker, under this Agreement, shall not be responsible for delays in the performance of any obligation unless there is an intentional delay caused by Broker or its agents and employees.

(C) Description of the Property. The Property to be managed under this Agreement is commonly known as 39 E. Agate Avenue #303, APN 177-21-219-220, as more fully described on Exhibit 1 attached hereto.

(D) **Term.** The term of this Agreement shall be for an initial period of One years (the "initial term") beginning on August 22, 2013 and ending August 31, 2014. Unless earlier terminated as provided in Section 20 herein, the Agreement will renew annually for successive periods of one (1) year each, unless either party gives the other 30 days written notice of non-renewal.

3. BROKER COMPENSATION AND EXPENSES. As compensation for the services rendered by Broker under this Agreement (and exclusive of reimbursement of the expenses to which Broker is entitled hereunder), Owner shall pay Broker as follows:

(A) **Management Services.** Broker shall be paid the greater of $ N/A per month or 8.000 % of the monthly gross collected rents. Payments due Broker for periods of less than the scheduled rental periods shall be prorated.

(B) **Leasing Fee.** For the procurement of a Tenant(s) for whom a lease is signed, Broker shall be paid a leasing fee as follows: $N/A - OR - 50.000 % of the first month's rent -OR- N/A % of the annual rent.

(C) **Set-Up Fee.** For entering the Property into Broker's property management system, Broker shall be paid a one time, non-refundable fee of $ 75.00.

(D) **Referral Commission.** Owner also authorizes payment of an MLS referral commission to the referring broker not to exceed $ 300.00. Owner understands and agrees that such commission will be paid to any real estate Broker (including Broker's leasing staff) who brings a qualified tenant that results in a signed lease.

(E) **Lease Renewals.** For Lease renewals, Broker shall be paid a leasing fee of $ 125.00 - OR - N/A % of the monthly rent - OR - N/A % of the annual scheduled rent.

(F) **Advertising.** Owner agrees to pay in advance for any and all advertisements placed on Owner's behalf. Unless specified by Owner, Owner agrees that advertising (including choice of media) is in the Broker's discretion.

(G) **Selling Commission.** If, within the term of this Agreement (including any renewals) or within 180 days after termination, a tenant shall enter into a purchase agreement or lease/option to purchase the Property, Broker shall be deemed the procuring cause of the sale, and Owner shall pay Broker a fee of TBD % of the selling price. If, within the term of this Agreement (including any renewals), Owner shall decide to sell the Property on the market, (Select one):

X Owner may list the Property with a Broker of his/her choosing;

- OR -

/ Owner shall list the Property with Broker for a fee of Ø %, subject to a separate listing agreement.

Owner Initials [/] [/]

(H) **Interest on Unpaid Sums.** Any sums due Broker under the terms of this Agreement, and not paid within 30 days after such sums have become due, shall bear interest at the rate of 12% per annum.

(I) **Extraordinary Services.** An hourly fee of $ Ø per hour shall be paid to Broker for all necessary or requested tasks not considered normal management duties.

(J) **Termination Fees.** Additional fees may be due upon Termination of this Agreement pursuant to Section 20 herein.

(K) **Collection Fees.** In the event that Broker institutes any action for the collection of amounts due and payable hereunder, Owner shall pay, in addition to the amounts due and payable under this Agreement, all reasonable costs and attorney's fees incurred by Broker in connection with collecting under this Agreement.

4. BANK ACCOUNTS

(A) Trust Accounts. Broker shall establish a separate Trust Account, apart from any company or corporate account, for the deposit of collected receipts in an institution whose deposits are insured by the federal government. Such depository shall be selected by Broker. Designated funds relating to the Property in the Trust Account remain the property of Owner subject to disbursement of expenses by Broker as described in this Agreement. Any interest accrued on this account will be retained by Broker. Broker shall notify Owner if a new reserve amount is required.

(B) Initial Deposit and Reserve. Immediately upon commencement of this Agreement, Owner shall remit to Broker the sum of $ 300.00 as a reserve. Owner shall maintain the reserve stated above at all times in the Trust Account to enable Broker to pay the obligations of Owner under this Agreement as they become due. Broker shall notify Owner if additional funds are required.

(C) Security Deposit Trust Account. Broker shall maintain a separate Security Deposit Trust Account for security deposits, cleaning, pet, and key and other deposits.

5. COLLECTION OF RENTS AND OTHER RECEIPTS

(A) Broker's Authority. Broker shall collect all rents, charges and other amounts receivable on Owner's account in connection with the management and operation of the Property. Such receipts shall be deposited in the Trust Account maintained by Broker for the Property.

(B) Special Charges. If permitted by applicable law, Broker may collect from the tenants and retain any and or all, but not limited to the following: an administrative charge for late payment of rent, a charge for returned or non-negotiated checks, interest and a rental application fee.

(C) Security Deposit Trust Account. Broker shall collect a security deposit and deposit it into the Trust Account and disburse it in accordance with NRS Chapter 118A. Any interest earned on tenant security deposits shall be retained by Broker.

6. DISBURSEMENTS OF RENTS AND OTHER RECEIPTS

(A) Operating Expenses. From the Trust Account, Broker is hereby authorized to pay or reimburse itself for all expenses and costs of operating the Property and for all other sums due Broker under this Agreement, including Broker's compensation.

(B) Debt Service. Owner shall give Broker advance written notice of at least 30 days to make any additional monthly or recurring payments (such as mortgage indebtedness, general taxes, special assessments or insurance premiums) out of Owner's proceeds from the Property. If Owner notifies Broker to make such payments after the beginning of the term of this Agreement, Broker shall have the authority to name a new contingency reserve amount, and Owner shall maintain this new contingency reserve amount at all time in the Trust Account.

(C) Net Proceeds. To the extent that funds are available and after maintaining the cash contingency reserve amount as specified in Section 3(b), Broker shall transmit the cash balances to Owner monthly.

7. BROKER IS NOT REQUIRED TO ADVANCE FUNDS. If the balance of the Trust Account is at any time insufficient to pay disbursements due and payable, Owner shall, not later than 10 days after notice, remit to Broker sufficient funds to cover the deficiency and replenish the contingency reserve. In no event shall Broker be required to use its own funds to pay such disbursements, nor shall Broker be required to advance any monies to Owner or to the Trust Account. If Broker advances any monies in connection with the Property to pay any Owner expense, Owner shall reimburse Broker, including interest at a rate of 12% per annum, and Broker may deduct such amounts from any monies due Owner.

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8. FINANCIAL AND OTHER REPORTS

(A) Owner/IRS Relationship. Owner is required to file all required Internal Revenue Service (IRS) forms and meet all IRS requirements. Owner agrees to provide Broker with appropriate IRS forms (e.g., W-9) before any funds are disbursed to Owner.

(B) Reports. Broker shall furnish Owner with a statement of cash receipts and disbursements from the operation of the Property monthly. In addition, Broker shall, on a mutually acceptable schedule, prepare and submit to Owner such other reports as are agreed on by both parties. Broker shall submit as required by the IRS at the conclusion of each calendar year a Form 1099 indicating the total income received from the Property.

9. LEASING AND RENTING

(A) Authority. Broker is authorized to negotiate, prepare and sign all leases, including all renewals and extensions of leases and to cancel and modify existing leases for Owner. All costs of leasing shall be paid out of the Property Trust Account. Leases are to be written on Broker's standard lease form.

(B) Enforcement of the Leases. Broker is authorized to institute, in Owner's name, all legal actions or proceedings for the enforcement of any lease term, for the collection of rent or other income from the Property, or for the eviction or dispossession of the tenants or other persons from the Property. Broker is authorized to sign and serve such notices as Broker deems necessary for lease enforcement, including the collection of rent or other income. If Broker deems it necessary, Broker may retain an attorney of Broker's choice (unless Owner supplies Broker with the name of Owner's attorney). Owner shall pay all attorneys fees and court costs.

(C) Management/Maintenance Review. Broker shall make management/maintenance reviews of the Property at the time of occupancy, when the tenant vacates and at such other times as Broker feels necessary or advisable and report matters concerning the condition of the Property to Owner. In the event of vacancy, Broker will take reasonable precautions to secure the Property.

(D) Keybox. Owner [X] (does) -OR- [____] (does not) authorize Broker to install a keybox in connection with the showing of the Property when necessary. Owner acknowledges that they have been advised that:

a. The purpose and function of the keybox is to permit access to the interior of the Property by all members of the Multiple Listing Service (MLS) of the Greater Las Vegas Association of REALTORS®, including certified appraisers;

b. Owner should safeguard Personal Property and valuables located within the Property;

c. It is not a requirement of the GLVAR's MLS for an Owner to allow the use of a keybox;

d. Where a tenant/lessee occupies the Property, the tenant/lessee's consent is also required, which shall be obtained by Broker;

e. Neither Broker, a prospective tenant's Broker, nor the GLVAR is an insurer against the loss of Personal Property. Owner hereby releases Brokers and the GLVAR from any responsibility relating to the keybox.

10. MULTIPLE LISTING SERVICE (MLS): Broker is a participant of THE GREATER LAS VEGAS ASSOCIATION OF REALTORS® (GLVAR) Multiple Listing Service, and the listing information will be provided to the MLS to be published and disseminated to its Participants and Subscribers in accordance with its Rules and Regulations and Section 11 herein, unless Owner signs Instructions to Exclude. Broker is authorized to cooperate with other real estate Brokers, and to report the lease, its price and terms for the publication, dissemination, information and use by authorized Association members, MLS Participants and Subscribers.

11. OWNER OPT OUTS: Owner further understands and acknowledges that MLS will disseminate the Property's listing information to those MLS brokers and agents (and/or their web vendors) who operate Internet sites, as well as online providers such as realtor.com and lasvegasrealtor.com, and that such sites are generally available to the public. Some, but not all, of these websites may include a commentary section where consumers may include reviews and comments about the Property in immediate conjunction with the listing (blogging), or provide a link to the comments. In addition, some, but not all, of these websites may display an automated estimate of the market value of the

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Property in immediate conjunction with the listing, or provide a link to the estimate. Owner may opt-out of any of the following by initialing the appropriate space(s) below:

a. ____/____ I/we have advised the Broker that I/we **DO NOT** want the listed Property to be **displayed on the Internet** (the listing will not appear on any Internet site). In selecting this option, Owner understands that consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search. *(Reminder to Broker: if this section is initialed, you must fax this page to the MLS at (702) 732-3154.)*

b. ____/____ I/we have advised the Broker that I/we **DO NOT** want the **address** of the listed Property to be displayed on the Internet (listing information will be disseminated via Internet, but the Property address will not appear in conjunction with the listing). *(Reminder to Broker: if this section is initialed, you must fax this page to the MLS at (702) 732-3154.)*

c. ____/____ I/we have advised the Broker that I/we **DO NOT** want a **commentary section** displayed or linked to the listed Property (the site operator may indicate that the feature was disabled at the request of the owner).

d. ____/____ I/we have advised the Broker that I/we **DO NOT** want an **automated estimate of value** displayed or linked to the listed Property (the site operator may indicate that the feature was disabled at the request of the owner).

—OR—

____/____ Owner does **NOT** opt out of any of the above.

12. REASONABLE MAINTENANCE AND REPAIR

(A) Ordinary/Emergency Maintenance Repair. Broker shall make or cause to be made, through contracted services, employees or otherwise, all ordinary repairs and replacements reasonably necessary to preserve the Property in a habitable condition and for the operating efficiency of the Property, and all alterations required to comply with lease requirements, governmental regulations or insurance requirements. Any cost exceeding $ 200.00 must be approved by Owner in advance except that in an emergency where repairs are immediately necessary for the preservation and safety of the Property, to avoid the suspension of any essential service to the Property, to avoid danger or life of property, or to comply with federal, state or local law; such emergency repairs shall be made by Broker at Owner's expense without prior approval.

(B) Smoke Detectors. At Owner's expense, smoke detectors will be installed on the Property in working condition in accordance with the law prior to the tenant's occupancy. During the occupancy, it shall be the tenant's responsibility to maintain all smoke detectors.

13. UTILITIES AND SERVICES. Owner shall, in Owner's name and at Owner's expense, make contracts for electricity, gas or water and such other services as necessary or prudent for the operation of the Property. All utility charges and deposits shall be Owner's responsibility. Owner authorizes Broker to communicate with the respective utility companies and service providers and make changes to services as Broker deems necessary during the term of this Agreement.

14. INSURANCE.

(A) Owner's Insurance. Owner shall obtain and keep in force adequate insurance against damage and against liability for loss, damage or injury to property or persons which might arise out of the occupancy, management, operation or maintenance of the Property. The deductible required under such insurance policies shall be Owner's expense. Broker shall be named as an additional interest on all liability insurance maintained with respect to the Property. Liability insurance shall be in form, substance and amounts reasonably satisfactory to Broker, but not less than $500,000 (five hundred thousand dollars). Owner shall provide Broker with proof of fire insurance policies in force and shall obtain adequate vandalism coverage for the Property. Owner shall furnish Broker with a certificate

evidencing fire and liability insurance or with duplicate copies of such policies within 15 days after the date of this Agreement. Such policies shall provide that notice of default or cancellation shall be sent to Broker as well as Owner and shall require a minimum of 30 days written notice to Broker before any cancellation of or changes to such policies.

(B) Tenant's Insurance. Tenants __X__ (shall) -OR- _____ (shall not) be required to obtain renter's insurance.

15. SAVE HARMLESS. Owner shall indemnify, defend and save Broker harmless from all loss, investigation, suits, damage, cost, expense (including attorneys fees) liability or claims for personal injury or property damage incurred or occurring in, on or about the Property.

16. BROKER ASSUMES NO LIABILITY. Broker assumes no liability for any damages, losses, or acts of omission by the Tenant. Broker assumes no liability for any acts or omissions of Owner or previous Owners or previous brokers. Broker assumes no liability for default by any tenant. Broker assumes no liability for violations of environmental or other regulations which may become known during the term of this Agreement. Any such regulatory violations or hazards discovered by Broker shall be brought to the attention of Owner, and Owner shall promptly cure them. Broker shall not be liable in the event of bankruptcy or failure of the depository bank where Owner's funds are deposited.

17. OWNER'S RESPONSIBILITY FOR EXPENSES OF LITIGATION.

(A) Litigation and Compliance Expenses. Owner shall pay all fines, penalties, or other expenses in connection with any claim, proceeding or suit involving an alleged violation of any law pertaining to fair employment, fair credit reporting, environmental protection, rent control taxes or fair housing, including illegal discrimination on the basis of race, sex, color, religion, national origin, physical handicap, familial status, elderliness or all other protected classes; provided, however, that Owner shall not be responsible to Broker for any such expenses if Broker is finally adjudged in a court of law to have personally, and not in a representative capacity, violated any such law. Nothing contained in this Agreement shall obligate Broker to employ legal counsel to represent Owner in any such proceeding or suit.

(B) Fees for Legal Advice. Owner shall pay reasonable expenses incurred by Broker in obtaining legal advice regarding compliance with any law affecting the Property. If such expenditure also benefits other principals of Broker, Owner shall pay an apportioned amount of such expense.

18. REPRESENTATIONS

(A) Owner Representations. Owner represents and warrants that Owner has full power and authority to enter into this Agreement; that there are no written or oral agreements affecting the Property other than disclosed tenant leases, copies of which have been furnished to Broker; that there are no recorded easements, restrictions, reservations or rights of way which adversely affect the use of the Property for the purposes intended under this Agreement; that the Property is zoned for the intended use; that all permits for the operation of the Property have been secured and are current; that the building and its construction and operation do not violate any applicable statutes, laws, ordinances, rules, regulations, orders or the like; and that the information supplied by Owner is dependable and accurate. **OWNER REPRESENTS THAT ANY LOANS, NOTES, MORTGAGES, TAXES, DUES OR TRUST DEEDS ARE PAID AND ARE CURRENT WITHOUT DEFAULTS**; and that any future defaults on any loans, mortgages, dues or trust deeds will be reported to Broker within 14 business days of Owner's receipt of notice of default (which commences foreclosure proceedings). **OWNER UNDERSTANDS THAT OFFERING A PROPERTY FOR LEASE WHILE THE PROPERTY IS IN FORECLOSURE PROCEEDINGS, WITHOUT WRITTEN DISCLOSURE, IS A DECEPTIVE TRADE PRACTICE PUNISHABLE BY BOTH A CIVIL FINE AND CRIMINAL PROCEEDINGS.**
Owner Initials [✓] [✓]

(B) Multiple Listing Service. No Multiple Listing Service or Association of REALTORS® is a party to this Agreement and no Multiple Listing Service or Association of REALTORS® sets, controls, recommends or suggests the amount of compensation for any service rendered pursuant to this Agreement.

19. COMMON INTEREST COMMUNITY. If the Property is located within a Common Interest Community (CIC), Owner understands and agrees that Broker is not involved in and has no control over the CIC. **OWNER UNDERSTANDS THAT THE CIC'S DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (CC&RS) MAY RESTRICT THE LEASING OF THE PROPERTY, AND IT IS OWNER'S SOLE RESPONSIBILITY TO DETERMINE WHETHER THE PROPERTY IS SO AFFECTED.** Broker assumes no liability for any costs associated with a Tenant's move-out. Broker assumes no liability for understanding or complying with the CC&Rs, and has no responsibility for any future amendments or additions to the CC&Rs. Owner remains solely responsible for assessments, violations and fines/fees payable to the CIC, and agrees to reimburse Broker for any such assessments, fines or fees which Broker may pay on Owner's behalf. Any subsequent and separate notice which identifies Broker as Owner's property manager will not affect the terms of this Section.
Owner Initials [✓] [✓]

20. TERMINATION

(A) Early Termination. This Agreement may be terminated by Owner before the termination date specified in Section 2(d) by written notice to Broker not less than 30 days prior to the termination date specified in such notice, together with a cancellation fee in the amount equal to the management fee that would accrue over the remainder of the stated term of any existing lease agreement or this Agreement, whichever is greater. For this purpose, the monthly management fee for the remainder of the stated term of the existing lease agreement shall be presumed to be the same as that of the last full calendar month prior to service of the notice of cancellation. In the event Owner directs Broker to transfer files and documents to a succeeding management company, Owner will pay Broker a transfer fee of $ 100.00 . This Agreement may be terminated by Broker before the termination date specified in Section 2(d) upon 30 days written notice to Owner. Within ten days of termination, Owner will pay Broker all monies due under this Agreement. Should this Agreement be terminated by either party prior to leasing the Property, Broker is entitled to retain the Set-Up Fee, and Owner shall reimburse Broker for the actual cost of any expenses incurred relative to the Property. If Owner terminates this Agreement prior to leasing the Property, Owner agrees to pay a cancellation fee of $ 100.00 .

(B) Owner Responsible for Payments. Upon termination of this Agreement, Owner shall assume the obligations of any contract or outstanding costs incurred by Broker under this Agreement. Broker may withhold funds for 30 days after the end of the month in which this Agreement is terminated in order to pay bills previously incurred but not yet invoiced and to close accounts. Broker shall deliver to Owner, within 30 days after the end of the month in which this Agreement is terminated, any balance of monies due Owner or tenant security deposits, or both, which were held by the Broker with respect to the Property, as well as a final accounting reflecting the balance of income and expenses with respect to the Property as of the date of termination or withdrawal. If, after termination, Broker receives funds which are payable to the Owner, Broker may deduct an administration fee of $N/A -OR- 8.000 %, whichever is greater, before delivering the balance of the funds to to the Owner. **Owner Initials** [✓] [✓]

(C) Leasing Fee Survives. In addition to the amounts specified in paragraph A of this Section, if Owner terminates this Agreement before the termination date in Section 2(d) and/or before the Property is leased, and within 30 calendar days of the termination the Property is leased to anyone with whom the Broker has had negotiations or to whom the Property was shown prior to the termination, Broker shall be paid the Leasing Fee set forth in Section 3(b). This paragraph C shall not apply if Owner enters into a valid property management agreement with another licensed real estate Broker after termination of this Agreement.

21. INDEMNIFICATION SURVIVES TERMINATION. All representations and warranties of the parties contained herein shall survive the termination of this Agreement. All provisions of this Agreement that require Owner to have insured or to defend, reimburse or indemnify Broker shall survive any termination. If Broker becomes involved in any proceeding or litigation by reason of having been Owner's Broker, such provisions shall apply as if this Agreement were still in effect.

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22. MISCELLANEOUS

(A) Rights Cumulative; No Waiver. The exercise of any right or remedy provided in this Agreement shall not be an election of remedies, and each right and remedy shall be cumulative. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy provided in this Agreement, shall not be construed as a waiver of such right or remedy with respect to subsequent defaults. Every right and remedy provided in this Agreement may be exercised from time to time and as often as may be deemed expedient by the party exercising such right or remedy.

(B) Agreement to Mediate. All parties agree to engage in mediation through the Greater Las Vegas Association of REALTORS® prior to commencing any legal action. In any action or proceeding involving a dispute between the parties arising out of this Agreement, the prevailing party shall be entitled to receive from the other party court costs and reasonable attorneys fees to be determined by the court or arbitrator.

(C) Headings. All headings and subheadings in this Agreement and in the accompanying List of Provisions are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

23. APPLICABLE LAW AND PARTIAL INVALIDITY. The interpretation of this Agreement shall be governed by the laws of the State of Nevada. Any action arising under this Agreement shall be brought in state court in the county where the Premises are located. If any part of this Agreement shall be declared invalid or unenforceable by a court of competent jurisdiction, either party shall have the option to terminate this Agreement by written notice to the other party.

24. COMPLETE AGREEMENT. This Agreement shall be binding upon the parties, and each of their respective heirs, executors, administrators, successors and assigns. No amendment is valid unless in writing and signed by the parties. There are no warranties or representations not herein contained.

25. SIGNATURES: This Agreement may be signed by the parties manually or digitally and on more than one copy, which, when taken together, each signed copy shall be read as one complete form. Facsimile signatures may be accepted as original.

[This space left intentionally blank.]

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26. FOREIGN INVESTMENTS IN REAL PROPERTY TAX (FIRPTA). Pursuant to the Internal Revenue Code Section 1441, the deduction of a withholding tax on all fixed or determinable gross income shall be required of any non-resident alien individual, fiduciary, foreign partnership or foreign corporation unless exempt under provisions provided under said IRS Section. If Owner is a non-resident alien individual, fiduciary, foreign partnership or foreign corporation, Broker will require a written statement from either a CPA or U.S. Tax Attorney. Owner _____(is)-**OR**- __X__ (is not) a non-resident alien individual, fiduciary, foreign partnership or foreign corporation.

27. ADDITIONAL TERMS:

Property Manager to pay quartly property taxes, monthly HOA dues and Hazard insurance out of proceeds of Rents if funds are not available, Pm to advise Owners.

Pm to email monthly Statements to owners monthly and year end tax Statements along with all Receipts for expenses.

Item 20A: Pm agreement may be Cancelled at any time within 30 days notice by either Party for no additional fee.

BROKER: Ameri-Dream Realty LLC
(Company Name)

By: _____ 08/22/2013
Authorized Agent for Broker — Date
Cynthia Weber

By: _____
Broker — Date
Ameri-Dream Realty LLC

_____ 09/04/2013
Owner Signature — Date
Printed Name: [redacted]

_____ 09/04/2013
Owner Signature — Date
Printed Name: [redacted]

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EXHIBIT 1

PROPERTY INFORMATION

Owner Name: [redacted]

Property Address: 39 E. Agate Avenue #303

Las Vegas, NV 89123

APN: 177-21-217-020

Existing Tenant (if any):

Name: [redacted] $900.

Home Phone: [redacted]

Work Phone: _____

Acceptable Rental Rate/Month: Minimum: $ 1,000.00 Maximum: $ 1,800.00

Acceptable Lease Term: Minimum: 1 Years / Maximum: 3 Years

Will pets be considered? Yes ☐ -OR- No ☐ (If yes, Tenant must complete Application for Pet Approval.)

Will smoking be permitted in the unit? Yes ☐ -**OR**- No ☒

Will Section 8 be considered? Yes ☐ -OR- No ☒

As applicable:

CBU & Mail Box Number: TBD

Parking Space Number: TBD

Gate Code: GUARD

Alarm Code: N/A

CIC INFORMATION AND PROPERTY AUTHORIZATION

Common Interest Community"CIC": Park Avenue HOA

Property Address: 39 E. Agate Avenue #303
Las Vegas, NV 89123

Owner's Name: [redacted]

Owner's Address: [redacted]
Huntington Beach, CA 92649

Owner's Telephone: [redacted]

Brokerage Name: Ameri-Dream Realty LLC

Property Manager's Name: Cynthia Weber

Property Manager's Address: 4875 W. Nevso Drive
Las Vegas NV 89103

Property Manager's Telephone: (702)217-1472 (Fax)702-8962629

This authorization certifies that Cynthia Weber (name of property manager), is my authorized Representative and Property Manager who represents and manages all aspects concerning the above stated property until August 31, 2014 when the current Property Management Agreement expires. Please release and/or provide to them the following items that have been **initialed** by me:

1 Gate System Entry	2 Community Keys	7 Gate Remote/Card
6 Parking Passes	8 Visitor Tags	5 Parking Space # _____
11 Mailbox # _____	10 Updated Information	12 Notifications
13 Violation letters	9 CC&Rs/Policies	3 Newsletters
14 Assessment Account Info	4 Policy/Rule Changes	15 Other _____
16 Other _____	_____ Other _____	_____ Other _____

Rosalinda Minnucci
Owner's Name

Owner's Signature

8/22/2013
Date

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DUTIES OWED BY A NEVADA REAL ESTATE LICENSEE

This form does not constitute a contract for services nor an agreement to pay compensation.

In Nevada, a real estate licensee is required to provide a form setting forth the duties owed by the licensee to:
a) Each party for whom the licensee is acting as an agent in the real estate transaction, and
b) Each unrepresented party to the real estate transaction, if any.

Licensee: The licensee in the real estate transaction is Cynthia Weber
whose license number is 0170814. The licensee is acting for [client's name(s)] [redacted]
[redacted] who is/are the [x] Seller/Landlord; [ ] Buyer/Tenant.
Broker: The broker is John Brown, whose
company is Ameri-Dream Realty, LLC.

Licensee's Duties Owed to All Parties:
A Nevada real estate licensee shall:

1. Not deal with any party to a real estate transaction in a manner which is deceitful, fraudulent or dishonest.
2. Exercise reasonable skill and care with respect to all parties to the real estate transaction.
3. Disclose to each party to the real estate transaction as soon as practicable:
   a. Any material and relevant facts, data or information which licensee knows, or with reasonable care and diligence the licensee should know, about the property.
   b. Each source from which licensee will receive compensation.
4. Abide by all other duties, responsibilities and obligations required of the licensee in law or regulations.

Licensee's Duties Owed to the Client:
A Nevada real estate licensee shall:

1. Exercise reasonable skill and care to carry out the terms of the brokerage agreement and the licensee's duties in the brokerage agreement;
2. Not disclose, except to the licensee's broker, confidential information relating to a client for 1 year after the revocation or termination of the brokerage agreement, unless licensee is required to do so by court order or the client gives written permission;
3. Seek a sale, purchase, option, rental or lease of real property at the price and terms stated in the brokerage agreement or at a price acceptable to the client;
4. Present all offers made to, or by the client as soon as practicable, unless the client chooses to waive the duty of the licensee to present all offers and signs a waiver of the duty on a form prescribed by the Division;
5. Disclose to the client material facts of which the licensee has knowledge concerning the real estate transaction;
6. Advise the client to obtain advice from an expert relating to matters which are beyond the expertise of the licensee; and
7. Account to the client for all money and property the licensee receives in which the client may have an interest.

Duties Owed By a broker who assigns different licensees affiliated with the brokerage to separate parties.
Each licensee shall not disclose, except to the real estate broker, confidential information relating to client.

Licensee Acting for Both Parties: You understand that the licensee _____ (Client Init) may *or* _____ (Client Init) may not, in the future act for two or more parties who have interests adverse to each other. In acting for these parties, the licensee has a conflict of interest. Before a licensee may act for two or more parties, the licensee must give you a "Consent to Act" form to sign.

I/We acknowledge receipt of a copy of this list of licensee duties, and have read and understand this disclosure.

Seller/Landlord	09/04/2013 Date	Time	Buyer/Tenant	Date	Time
Rosalinda Minnucci					
Seller/Landlord	09/04/2013 Date	Time	Buyer/Tenant	Date	Time

Ameri-Dream Realty 4875 W Nevso Dr Las Vegas, NV 89103
Phone: (702)876-5881 Fax: (702)876-3304 Cynthia Weber Park Avenue 2

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