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

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7
8 **UNITED STATES BANKRUPTCY COURT**
9 **DISTRICT OF NEVADA**

10 In re:
11 AMERI-DREAM REALTY, LLC,
12 Debtor.

Case No. BK-S-15-10110-LED
Chapter 7

DECLARATION OF VICTORIA L. NELSON IN SUPPORT OF MOTION TO EXTEND DEADLINE TO ASSUME OR REJECT EXECUTORY CONTRACTS PURSUANT TO 11 U.S.C. § 365(d)(1)

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

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19 I, Victoria L. Nelson, declare as follows:

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

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

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1 3. I make this declaration in support of the Motion to Extend Deadline to Assume or
2 Reject Executory Contracts Pursuant to 11 U.S.C. § 365(d)(1) (the “Motion”).¹

3 4. On January 9, 2015, the Debtor filed a voluntary bankruptcy pursuant to Chapter 7
4 of Title 11 of the United States Code [ECF No. 1].²

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

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

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

17 8. Despite the fact that the Debtor was required to maintain the Security Deposits in a
18 segregated trust account for the benefit of the various landowners and tenants, I am informed and
19 believe that the spouse of the Debtor’s principal, John Brown, embezzled approximately One
20 Million Two Hundred Thousand Dollars (\$1,200,000) of the Security Deposits. As a result, there
21 is currently an insufficient balance in the Security Deposit trust account to cover the full amount

22
23 ¹ Unless otherwise indicated, all chapter and section references are to the Bankruptcy Code, 11
24 U.S.C. §§ 101-1532, and to the Federal Rules of Bankruptcy Procedure, Rules 1001-9037. The
25 Federal Rules of Civil Procedure will be referred to as “FRCP” and the Federal Rules of
26 Bankruptcy Procedure will be referred to as “FRBP.” The Local Rules of Practice for the United
27 States Bankruptcy Court for the District of Nevada shall be referred to as the “Local Rules”.

28 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.

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1 of the Security Deposits that are required to be segregated pursuant to the Property Management
2 Agreements.

3 9. Prior to the Debtor’s bankruptcy filing, the Debtor submitted a claim through its
4 Errors and Omissions Insurance Policy held through Pearl Insurance (the “Policy”).

5 10. I have been informed that post-petition Pearl Insurance has attempted to cancel the
6 Policy for lack of payment.

7 11. I have further been informed that prior to the cancellation of the Policy, John
8 Brown, the principal of the Debtor, notified Pearl Insurance that the Debtor filed a Chapter 7
9 bankruptcy petition.

10 12. I was never informed that the Policy was to be cancelled for lack of payment.

11 13. I am currently investigating the cancellation of the policy and seek to extend the
12 deadline to assume or reject the bankruptcy estate’s remaining executory contracts by sixty (60)
13 days.

14 14. There are sufficient grounds to justify a brief extension of the deadline to assume
15 or reject the Policy. The claim against the Policy is a significant asset of the Debtor’s bankruptcy
16 estate given the embezzlement of approximately One Million Two Hundred Thousand Dollars
17 (\$1,200,000) by the spouse of the Debtor’s principal.

18 15. Allowing a brief sixty (60) day extension of the time in which I can seek to assume
19 or reject the remaining executory contracts in the bankruptcy estate will greatly benefit the
20 Debtor’s creditors by preserving causes of action for creditors.

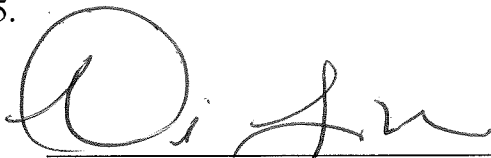
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1 16. Pearl Insurance will also not be prejudiced by a brief extension because a sixty
2 (60) day extension is not a significant amount of time considering that the Debtor's bankruptcy
3 case has only been pending since January 9, 2015.

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

6 Dated this 6th day of March, 2015.

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8 _____
9 Victoria L. Nelson

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