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Electronically Filed On: June 2, 2015

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

6
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

13 **DECLARATION OF VICTORIA L.**
14 **NELSON IN SUPPORT OF FIRST**
15 **INTERIM APPLICATION OF NELSON &**
16 **HOUMAND, P.C. FOR ALLOWANCE OF**
17 **COMPENSATION FOR SERVICES**
18 **RENDERED DURING THE PERIOD**
19 **FROM JANUARY 13, 2015, THROUGH**
20 **JUNE 2, 2015, AND FOR**
21 **REIMBURSEMENT OF EXPENSES**
22 **PURSUANT TO 11 U.S.C. §§ 330 AND 331**
23 **AND FEDERAL RULE OF**
24 **BANKRUPTCY PROCEDURE 2016**

Date of Hearing: July 7, 2015
Time of Hearing: 11:00 a.m.
Place: Courtroom No. 3, Third Floor
Foley Federal Building
300 Las Vegas Blvd., S.
Las Vegas, NV 89101

Judge: Honorable Laurel E. Davis

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

26 1. I am over the age of 18 years and I am competent to make this declaration. I have
27 personal knowledge of the facts set forth herein, except for those facts stated on information and
28 belief and, as to those facts, I am informed and believe them to be true. If called as a witness, I

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1 could and would testify as to the matters set forth below based upon my personal knowledge.

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

3 3. I make this Declaration in support of the *First Interim Application of Nelson &*
4 *Houmand, P.C. for Allowance of Compensation for Services Rendered During the Period From*
5 *January 13, 2015, Through June 2, 2015, and For Reimbursement of Expenses Pursuant to 11*
6 *U.S.C. §§ 330 and 331 and Federal Rule of Bankruptcy Procedure 2016* (the "Fee Application").¹

7 4. Pursuant to Guideline 2.2.2 of the Region 17 United States Trustee Guidelines, I
8 have been provided a copy of the billing entries and itemization of expenses that are attached as
9 **Exhibits "1" and "2"** to the *Declaration of Jacob L. Houmand In Support of the First Interim*
10 *Application of Nelson & Houmand, P.C. for Allowance of Compensation for Services and*
11 *Reimbursement of Expenses Rendered During the Period From January 13, 2015, Through June*
12 *2, 2015 Pursuant to 11 U.S.C. §§ 330 and 331 and Federal Rule of Bankruptcy Procedure 2014*
13 (the "Houmand Declaration") and approve of the same.

14 5. The balance of the trust account in the Debtor's bankruptcy case is Two Hundred
15 Nine Thousand Four Hundred Fifty-Two and 80/100 (\$209,452.80).

16 6. I am a member of the Firm and regularly employ the Firm to represent bankruptcy
17 estates in other unrelated bankruptcy cases in which I am the Trustee. I did not personally bill
18 any legal fees in the above-captioned bankruptcy case.

19 7. No agreement or understanding exists between the Firm and any other entity for
20 the sharing of compensation received or to be received for services rendered in connection with
21 this case, except as permitted under Section 504(b)(1).

22 8. Much work has been accomplished by the Firm between the periods from January
23 13, 2015, through June 2, 2015. Set forth below is a narrative of the facts leading up to the filing

24
25 ¹ Unless otherwise indicated, all chapter and section references are to the Bankruptcy Code, 11
26 U.S.C. §§ 101-1532, and to the Federal Rules of Bankruptcy Procedure, Rules 1001-9037. The
27 Federal Rules of Civil Procedure will be referred to as "FRCP" and the Federal Rules of
28 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". In
addition, all defined terms herein shall have the same meaning ascribed to them in the Fee
Application unless otherwise provided.

1 of the bankruptcy case and the work perform by the Firm following the filing of the bankruptcy
2 case.

3 **EVENTS PRECEDING THE FILING OF THE DEBTORS BANKRUPTCY CASE**

4 9. The Debtor was a real estate brokerage firm that represented clients in the purchase
5 and sale of real property throughout Clark County, Nevada.

6 10. The Debtor also had a property management division that managed over one
7 thousand rental properties for various landowners and tenants throughout Las Vegas, Nevada.

8 11. Subsequent to the filing of the Debtor’s bankruptcy case, I was informed by John
9 Brown, the principal of the Debtor and then-spouse of Elsie Peladas-Brown, that it was his belief
10 that Elsie Peladas-Brown had embezzled approximately One Million Two Hundred Thousand
11 Dollars (\$1,200,000) from the Security Deposits Trust Account of the Debtor and wired these
12 monies to the Philippines between the period of March, 2013 through December, 2013.

13 12. It is the belief of John Brown that Elsie Peladas-Brown left the United States for
14 the Philippines in January, 2014, and has not returned to the United States since that time.

15 **THE DEBTOR’S BANKRUPTCY FILING**

16 13. On January 9, 2015, the Debtor filed a voluntary bankruptcy pursuant to Chapter 7
17 of Title 11 of the United States Code (Case No. BK-S-14-12346-ABL) in the United States
18 Bankruptcy Court for the District of Nevada (the “Bankruptcy Case”).

19 14. On January 9, 2015, I was appointed as the Chapter 7 Trustee in the Bankruptcy
20 Case.

21 15. Shortly following my appointment, I met with Debtor’s principal and it’s counsel
22 to discuss matters requiring immediate attention including the securing and closing of a 4,861
23 square foot commercial property located at 4875 West Nevso Drive, Las Vegas, NV, and the
24 administration of approximately Eight Hundred Thousand Dollars (\$800,000) of funds identified
25 as security deposits which were those portion of funds which were not embezzled and remaining
26 in the Debtor’s Security Deposits Trust Account.

27 16. I was also tasked with identifying and closing residential sales of real property
28 which contracts had been entered into pre-petition but closed after the bankruptcy was filed by the

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1 Debtor.

2 17. On February 25, 2015, I conducted the 341(a) Creditors Meeting. Due to the size
3 of the creditor body, the 341(a) Creditors Meeting was conducted in the Jury Room at the Lloyd
4 George Federal Building. The 341(a) Creditors Meeting was concluded on February 25, 2015.

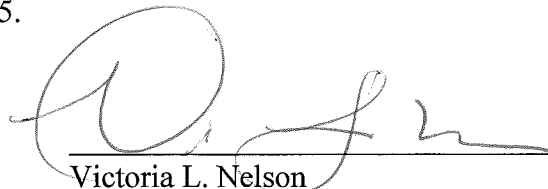
5 18. Due to the fact that the Debtor's bankruptcy case was deemed a mega case, I
6 sought and obtained court approval to employ Garden City Group, LLC ("GCG") as the claims
7 and noticing agent.

8 19. The deadline to file proofs of claims expired on May 14, 2015. Pursuant to GCG,
9 there is a total of \$3,197,122 in calculated claim value. It is the belief of GCG, however, that
10 there may be a duplication of claims wherein both the landlord and the corresponding tenant may
11 have filed proofs of claims seeking the same security deposit and/or various other funds collected
12 and held for either the tenant or the landlord in the Debtor's Security Deposits Trust Account.

13 20. In addition to the employment of the Firm and GCG, I sought and obtained Court
14 approval to employ the following individuals and/or entities: Nellis Auction; Paul Healey, CPA;
15 Schwartz Flansbury, PLLC; and Assured Document Destruction. Nellis Auction was employed
16 to sell the personal property left at the leased premises of the Debtor. Paul Healey, CPA, was
17 employed to assist with the preparation of the 1099's on behalf of the Debtor. Assured Document
18 Destruction was employed to destroy confidential and sensitive documents left on the leased
19 premises. Schwartz Flansburg, PLLC was employed to pursue the recovery of funds embezzled
20 by Elsie Peladas-Brown.

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

23 Dated this 2nd day of June, 2015.

24
25 
26 Victoria L. Nelson

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