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 7
 8 IN THE UNITED STATES DISTRICT COURT FOR THE
 9 EASTERN DISTRICT OF CALIFORNIA

10
 11 UNITED STATES OF AMERICA,

2:12-CV-00732-KJM-DAD

12 Plaintiff,

13 v.

STIPULATION FOR EXPEDITED
 SETTLEMENT BETWEEN UNITED
 STATES AND LIEN HOLDER
 SUNTRUST MORTGAGE, INC.;
 ORDER

14 REAL PROPERTY LOCATED AT 10027
 15 SEATTLE SLEW LANE, ELK GROVE
 CALIFORNIA, SACRAMENTO
 16 COUNTY, APN: 127-0940-009-0000,
 INCLUDING ALL APPURTENANCES
 17 AND IMPROVEMENTS THERETO,

18 Defendant.
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 22 IT IS HEREBY STIPULATED by and between the United States and claimant
 23 Suntrust Mortgage, Inc. (hereafter "claimant"), through their respective counsel, that
 24 claimant has a valid pre-existing mortgage lien on the defendant real property
 25 described in this Stipulation, which is not contested by the United States.

26 The United States and claimant further stipulate that:

27 1. Any violation of 18 U.S.C. § 1956(a)(1)(B)(i), 21 U.S.C. §§ 841 *et seq.* or 31
 28 U.S.C. §§ 5324(a)(2) and (a)(3) involving the defendant real property located at 10027

1 Seattle Slew Lane, Elk Grove, California, Sacramento County, APN:
2 127-0940-009-0000, and more fully described in Exhibit A attached hereto and
3 incorporated herein by reference, occurred without claimant's knowledge and consent.

4 2. The United States agrees that upon entry of a Default Judgment and
5 Final Judgment of Forfeiture in favor of the United States, through the Internal
6 Revenue Service - Criminal Investigation ("IRS") or its agent(s), shall undertake to sell
7 the defendant real property in a commercially reasonable manner and to sell said
8 property for fair market value (the "Purchase Price"). The following costs and expenses
9 of sale shall be deducted from the Purchase Price and paid directly out of escrow in the
10 following order:

11 (a) First, the costs incurred by the IRS to the date of close of escrow,
12 including the cost of posting, service, advertising, and maintenance;

13 (b) Second, to the Sacramento County Tax Collector for all real
14 property taxes assessed and unpaid against the defendant real property prorated to the
15 date of entry of the Default Judgment and Final Judgment of Forfeiture;

16 (c) Third, the costs and expenses associated with the sale of the
17 defendant real property.

18 (d) Fourth, any county transfer taxes.

19 (e) Fifth, to claimant as the lender on the deed of trust encumbering
20 the defendant real property, as follows:

21 (i) All unpaid principal due to claimant under the Promissory Note
22 ("Note") dated April 21, 2010, with the original principal amount of \$417,000.00, which
23 is secured by a Deed of Trust dated April 21, 2010, recorded May 3, 2010, as Book
24 20100503 Page 0469 ("Deed of Trust"), in the Official Records of Sacramento County,
25 California. As of July 5, 2012, the principal amount owed to claimant pursuant to the
26 Note was \$399,340.22.

27 (ii) All unpaid interest due as of the date of the closing of the sale of
28 the defendant real property at the contractual (not default) rate under the above-

1 referenced Note and Deed of Trust until the date of payment. Interest will continue to
2 accrue at the current rate of 5.875% per annum;

3 (iii) All fees, costs, and advances, including but not limited to
4 reasonable attorney fees, prepayment fees, taxes and hazard insurance as provided
5 under the terms of the Note and Deed of Trust. As of July 5, 2012, the total amount
6 owed was \$410,855.14 plus interest thereon at a rate of 5.875% per annum or \$64.28
7 per diem.

8 3. The payment to claimant shall be in full settlement and satisfaction of
9 any and all claims by claimant to the defendant real property and all claims resulting
10 from the incidents or circumstances giving rise to this lawsuit.

11 4. Upon payment in full as set forth above in ¶ 2(e)(i)-(iii), claimant agrees to
12 reconvey its interest in the defendant real property via recordable documents and
13 cause those to be recorded, and to release and hold harmless the United States, and
14 any agents, servants, and employees of the United States, (or any state or local law
15 enforcement agency) acting in their individual or official capacities, from any and all
16 claims by claimant and their agents which currently exist or which may arise as a
17 result of the government's action against the real property.

18 5. In the event it is determined that the proceeds from the sale of the
19 defendant real property would be insufficient to pay claimant in full as set forth above
20 in ¶ 2(e)(i)-(iii), after the disbursements described above are made in ¶ 2 (a)-(d), the
21 United States agrees to release its interest in the defendant real property and consent
22 to the exercise of claimant's state law rights to foreclose upon its deed of trust which
23 secures the obligation to claimant. The United States shall not enter into a binding
24 agreement to sell the defendant real property unless the proceeds of such sale are
25 sufficient to pay claimant in full as set forth above in ¶ 2(e)(i)-(iii), unless claimant
26 otherwise consents in writing.

27 6. Claimant agrees not to pursue against the United States any other rights
28 that it may have under the mortgage instrument, including, but not limited to, the

1 right to initiate a foreclosure action without the consent of the U.S. Attorney's Office or
2 this Court.

3 7. Claimant has informed the United States that the loan is currently in
4 default. Claimant agrees to join any government motions for interlocutory or
5 stipulated sale of the defendant real property if the proceeds of such sale will be
6 sufficient to pay claimant in full as set forth in paragraph 2(e)(i)-(iii), and agrees to
7 either join or not oppose, at its discretion, any motions to remove occupants from the
8 property for nonpayment of mortgage or rent, destruction of property, or other just
9 cause.

10 8. Claimant understands and agrees that by entering into this Stipulation
11 regarding its interest in the defendant real property, it waives any rights to further
12 litigate against the United States concerning its interest in the defendant real property
13 and to petition for remission or mitigation of the forfeiture. Unless otherwise provided
14 by this Stipulation or specifically directed by order of this Court, claimant is hereby
15 excused and relieved from further participation in this action.

16 9. Claimant understands and agrees that the United States reserves the
17 right to void the expedited settlement agreement if, before payment of the mortgage or
18 lien, the U.S. Attorney obtains new information indicating that the mortgagee or lien
19 holder is not an "innocent owner" or "bona fide purchaser" pursuant to applicable
20 forfeiture statutes. The U.S. Attorney also reserves the right, in its discretion, to
21 terminate the forfeiture at any time and release the subject property. In either event,
22 the United States shall promptly notify the mortgagee or lien holder of such action. A
23 discretionary termination of forfeiture shall not be a basis for any award of fees under
24 28 U.S.C. § 2465.

25 10. The parties agree to execute further documents, to the extent necessary,
26 to convey clear title to the defendant real property to the United States and to further
27 implement the terms of this Stipulation.

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Exhibit A

(Real property located at 10027 Seattle Slew Lane, Elk Grove,
California, Sacramento County)

PARCEL ONE:

LOT 40, AS SHOWN ON THE PLAT OF SUBDIVISION NO. 00.025.3 OF
VAN RUITEN RANCH UNIT 2", FILED NOVEMBER 10, 2003, IN
BOOK 321 OF MAPS, MAP NO. 8, RECORDS OF SACRAMENTO
COUNTY.

PARCEL TWO:

A RIGHT OF WAY (NOT TO BE EXCLUSIVE), FOR USE AS A
ROADWAY FOR VEHICLES OF ALL KINDS, PEDESTRIANS AND
ANIMALS, FOR WATER, GAS, OIL AND SEWER PIPE LINES, AND
FOR TELEPHONE, CABLE, ELECTRIC LIGHT AND POWER LINES,
TOGETHER WITH NECESSARY POLES OR UNDERGROUND
CONDUITS TO CARRY SAID LINES, OVER, UNDER AND UPON
"SEABISCUIT LANE, VAN RUITEN LANE, NATIVE DANCER LANE,
SEATTLE SLEW LANE, SECRETARIAT LANE AND KEAWE LANE",
AS SHOWN ON SAID FILED MAP.

APN: 127-0940-009-0000