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20 **UNITED STATES DISTRICT COURT**
21 **DISTRICT OF NEVADA**

22 FEDERAL HOUSING FINANCE AGENCY,
23 in its capacity as Conservator for the Federal
24 National Mortgage Association and Federal
25 Home Loan Mortgage Corporation

26 Petitioner,
27
vs.

28 SFR INVESTMENTS POOL 1, LLC,
29
Respondent.

30 Case No.: 2:17-cv-00914-GMN-PAL

31
32 **MOTION FOR ISSUANCE OF SUMMONS**
33 **TO SFR INVESTMENTS POOL 1, LLC**

34 Petitioner, the Federal Housing Finance Agency (“Petitioner,” “FHFA” or the
35 “Conservator”) acting as Conservator for Federal National Mortgage Association (“Fannie Mae”)
36 and Federal Home Loan Mortgage Corporation (“Freddie Mac”), respectfully requests that the
37 Court issue a Summons in the form attached as **Exhibit A**. FHFA commenced this action by
38 petitioning the Court under 12 U.S.C. §§ 4588(c) and 4617(b)(2)(I) for an order requiring Las Vegas
39 Development Group, LLC (“Respondent”) to comply with the subpoena duces tecum (the
40 “Subpoena”) the Conservator issued to it on November 21, 2016. (ECF No. 1). Those statutes
41 provide that the Conservator may issue subpoenas administratively and enforce them, if necessary,
42 through “an action … in … United States district court....” 12 U.S.C. § 4588(c). While a
43 summons may not be strictly necessary in commencing such an enforcement action, issuance and
44 service of one will indisputably place Respondent on notice of the action and thereby facilitate
45 efficient resolution of the petition.

The Conservator issued the Subpoena to further its statutory power to “preserve and conserve … assets and property” of the Fannie Mae and Freddie Mac (together, “the Enterprises”) conservatorships — specifically, the Enterprises’ interests in liens encumbering properties that have been the subjects of completed HOA foreclosure sales conducted pursuant to Nevada’s super-priority lien statute, NRS 116.3116(2). See 12 U.S.C. § 4617(b)(2)(B)(iv). The Conservator, along with Fannie Mae and Freddie Mac, is involved in extensive litigation in this District concerning the continued validity of those liens. Through that litigation, Petitioner became aware that Respondent and/or its affiliates have acquired multiple properties through, or subsequent to, HOA sales.

On November 21, 2016, as part of an investigation into whether and if so how FHFA should act to protect the Enterprises' liens, including by way of additional litigation, Petitioner issued the Subpoena under 12 U.S.C. § 4617(b)(2)(I) and § 4588(c), which authorizes the Conservator to issue subpoenas to aid it in "carrying out [its] power[s], authorit[ies], or dut[ies]," and caused it to be served upon Respondent. See ECF No. 1-2, pages 1-7. Respondent did not produce the information requested. Because the Subpoena concerns Respondent's business activity of purchasing real property located in Nevada, the Subpoena is properly enforced in this Court under 12 U.S.C. § 4617(b)(2)(I) and § 4588(c), which provide that the Conservator "may bring an action ... in the United States district court for the judicial district ... where the witness ... conducts business" Accordingly, and pursuant to the statute, FHFA seeks to enforce the subpoena judicially.

Issuance and service of a summons will eliminate any potential dispute as to notice of the action, thereby advancing judicial economy and facilitating the Conservator's work, and Petitioner

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1 therefore respectfully requests the issuance of a summons in the form attached hereto as Exhibit A.

2 DATED: April 10, 2017.

3 FENNEMORE CRAIG, P.C.

4 By: /s/ Leslie Bryan Hart
5 Leslie Bryan Hart, Esq. (SBN 4932)
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11 and

12 ARNOLD & PORTER KAYE SCHOLER LLP

13 (Pro Hac Vice to be Submitted)
14 Michael A.F. Johnson, Esq.

15 Attorneys for Petitioner Federal Housing
16 Financing Agency

17 IT IS SO ORDERED this 18th day
18 of April, 2017.

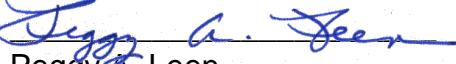
19 
Peggy A. Leen
United States Magistrate Judge

EXHIBIT INDEX

DESCRIPTION	EXHIBIT
Proposed Summons	A

Exhibit A

[Proposed] Summons

Exhibit A

UNITED STATES DISTRICT COURT
for the
District of Nevada

FEDERAL HOUSING FINANCE AGENCY)
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)
)
<hr/> <i>Plaintiff(s)</i>)
v.)
SFR INVESTMENTS POOL 1, LLC)
)
)
<hr/> <i>Defendant(s)</i>)

Civil Action No. 2:17-cv-00914-GMN-PAL

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* SFR Investments Pool 1, LLC
c/o Registered Agent - Paracorp, Inc.
318 N. Carson St., No. 208
Carson City, NV 89701

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Leslie Bryan Hart, Esq. and John D. Tennert, Esq.

Fennemore Craig, P.C.
300 E. Second St., Suite 1510
Reno, NV 89501
775-788-2200
lhart@fclaw.com; jtennert@fclaw.com

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk