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7 202-616-2885 (v)
8 202-307-0054 (f)
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11 IN THE UNITED STATES DISTRICT COURT
12 FOR THE DISTRICT OF NEVADA

13 UNITED STATES OF AMERICA,)

14 Plaintiff,)

15 v.)

16 JEFFREY A. MARTINEZ, individually,)
17 and as Trustee of the Martinez Family Trust;)
18 DOLORES M. MARTINEZ, individually and)
19 as Trustee for the Martinez Family Trust;)
20 THE MARTINEZ FAMILY TRUST;)
21 MARTINEZ & ASSOCIATES, INC.)
(NV20041370692); MARTINEZ &)
22 ASSOCIATES INC. (NV20181033912);)
23 SIERRA MORTGAGE CORPORATION;)
24 FIDELITY NATIONAL TITLE; CHASE)
25 MORTGAGE COMPANY; JP MORGAN)
CHASE BANK NATIONAL)
ASSOCIATION; RHODES RANCH)
ASSOCIATION; and REPUBLIC SILVER)
STATE INC., DBA, REPUBLIC SERVICES,)

26 Defendants.)

Case No.: 2:19-cv-1986-GMN-DJA

**UNOPPOSED MOTION TO
EFFECTUATE SETTLEMENT
AGREEMENT**

1 Plaintiff, the United States of America, hereby moves for approval of a stipulation
2 between the United States and defendants Jeffrey and Dolores Martinez and to enter judgment
3 pursuant to that stipulation. In 2021, the parties entered a settlement agreement that resolved
4 most of the United States' claims, and the Court entered a partial judgment pursuant to that
5 agreement. (See ECF No. 55). The parties have now reached a second agreement to resolve the
6 remaining claim. Pursuant to the second agreement, the United States hereby moves the Court to
7 approve the stipulation attached as Exhibit 1, and enter the proposed judgment attached as
8 Exhibit 2.

9 MEMORANDUM OF POINTS AND AUTHORITIES

10 **BACKGROUND**

11 The United States sought money judgments against the Martinezes, and against two
12 corporate entities associated with them, Martinez & Associates, Inc. (Nevada Business ID
13 NV20041370692) ("Martinez & Associates I") and Martinez & Associates, Inc. (Nevada
14 Business ID NV20181033912) ("Martinez & Associates II"), for various federal tax liabilities.
15 The United States also sought to foreclose its tax liens against certain real property (the "Subject
16 Property") to help satisfy the liabilities. The Subject Property is located at 262 Cliff Valley
17 Drive, Las Vegas, Nevada 89148, and is described in further detail in the Complaint. It was
18 putatively held in a trust, *i.e.*, the Martinez Family Trust (the "Trust"), which the United States
19 named as a defendant.

20 The United States also named as defendants other entities that might assert a lien or other
21 claim against the Subject Property, pursuant to 26 U.S.C. § 7403(b) ("Action to enforce lien or to
22 subject property to payment of tax"). That way, those parties' claims to the property (if any)
23 could be adjudicated if and when the Court determined that the property should be foreclosed.

24 There will be no need to adjudicate any claims for most of these defendants. One,
25 Fidelity National Title, disclaimed any interest. (See ECF No. 7). Defendant Republic Silver

1 State Inc. (“Republic”), a trash removal company, has been served but has not appeared, and the
2 Clerk has made an entry of default against it. (ECF No. 63). The United States determined that
3 it had erred in naming the remaining initial defendants, Nevada Mortgage Assistance Company
4 and the Cooper Castle Law firm, and the Clerk terminated them from the case on March 9, 2020.
(See Dkt. 21 (notice of voluntary dismissal)).

5 The Court has already approved a stipulation concerning claims by two other defendants,
6 JP Morgan Chase Bank National Association and Chase Bank National Association (together,
7 the “Chase defendants”), at least as against the United States. The Chase defendants control the
8 mortgage loan that was initially issued by defendant Sierra Mortgage Corporation. They reached
9 a stipulation with the United States resolving lien priority as between them and the United
10 States. (See ECF No. 20 (Order approving stipulation)).

11 Thus, it appears that only a few non-tax claims may require adjudication. Defendant the
12 Rhodes Ranch Association, the HOA for the Subject Property, answered the complaint. (ECF
13 No. 4). After the Complaint was filed, another potential defendant, Discover Bank, filed a lien
14 notice against the Martinezes. It does not appear that Discover Bank’s recently recorded lien
15 could trump the longstanding tax liens, but 26 U.S.C. § 7403 requires the United States to name
16 other lienholders. The United States thus has a pending motion to amend the Complaint to
17 include Discover Bank. (ECF No. 62). Finally, the United States understands that Rhodes
18 Ranch may claim that any liens for unpaid HOA dues have “super-priority” under state law.
19 Thus, if the United States proceeds to foreclosure, the Court may be called upon to adjudicate the
20 relative priority of any HOA liens vis-à-vis the other liens.

21 That said, there is no need to pay out claims to any of the named defendants at present.
22 As discussed below, the United States would have no need to foreclose on the Subject Property if
23 the Martinezes comply with the settlement agreement.
24
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1 If the Martinezes fail to comply with the 2022 agreement, such as by not making the
2 payments or not selling the property according to the terms of the agreement, the United States
3 maintains the right to sell the property. The Martinezes have agreed to the entry of an order of
4 sale. (*see* Ex. 1 ¶ 3 (stipulation to entry of order of sale)). In the event of non-compliance, and
5 pursuant to the 2022 agreement, the United States would submit a proposed order of sale for
6 the Court's approval. The proposed order would provide for adjudicating the other defendants'
7 claims, if any remain at that time.

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1 WHEREFORE, the United States requests that the Court approve the stipulation attached
2 at Exhibit 1 (proposed order below) and separately enter the proposed partial judgment at Exhibit
3 2, resolving the remaining claim against the Martinezes.

4 Signed this 26th day of August, 2022.

5 DAVID A. HUBBERT
6 Deputy Assistant Attorney General

7 /s/ E. Carmen Ramirez
8 E. CARMEN RAMIREZ
9 Trial Attorney, Tax Division
10 U.S. Department of Justice
11 P.O. Box 683
12 Washington, D.C. 20044
13 202-353-1857 (v)
14 202-307-0054 (f)
15 E.Carmen.Ramirez@usdoj.gov
16 western.taxcivil@usdoj.gov

17 IT IS SO ORDERED: Oct 5, 2022

18 
19 _____
20 UNITED STATES DISTRICT JUDGE
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1 **CERTIFICATE OF SERVICE**

2 IT IS HEREBY CERTIFIED that service of the foregoing is made August 26, 2022, via
3 the Court’s ECF system to all current parties who have appeared electronically. The United
4 States is also sending this motion to the persons listed below, via U.S. Mail. The mailing may
5 take place the next business day.

6 Jeffrey Martinez
7 262 Cliff Valley Dr.
8 Las Vegas, NV 89148

9 Dolores Martinez
10 262 Cliff Valley Dr.
11 Las Vegas, NV 89148

12 Republic Silver State Inc., dba Republic Services
13 c/o CT Corporation System
14 701 S. Carson St.
15 Suite 200
16 Carson City, NV 89701

17 Discover Bank
18 c/o CT Corporation System
19 701 S. Carson St.
20 Suite 200
21 Carson City, NV 89701

22 */s/ E. Carmen Ramirez*
23 E. CARMEN RAMIREZ
24 Trial Attorney, Tax Division
25 U.S. Department of Justice

EXHIBIT 1

1 DAVID A. HUBBERT
Deputy Assistant Attorney General

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3 Trial Attorney, Tax Division
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11 IN THE UNITED STATES DISTRICT COURT
12 FOR THE DISTRICT OF NEVADA

13 UNITED STATES OF AMERICA,)

14 Plaintiff,)

15 v.)

16 JEFFREY A. MARTINEZ, individually,)
17 and as Trustee of the Martinez Family Trust;)
18 DOLORES M. MARTINEZ, individually and)
19 as Trustee for the Martinez Family Trust;)
20 THE MARTINEZ FAMILY TRUST;)
21 MARTINEZ & ASSOCIATES, INC.)
(NV20041370692); MARTINEZ &)
22 ASSOCIATES INC. (NV20181033912);)
23 SIERRA MORTGAGE CORPORATION;)
24 FIDELITY NATIONAL TITLE; CHASE)
25 MORTGAGE COMPANY; JP MORGAN)
CHASE BANK NATIONAL)
ASSOCIATION; RHODES RANCH)
ASSOCIATION; and REPUBLIC SILVER)
STATE INC., DBA, REPUBLIC SERVICES,)

26 Defendants.)

Case No.: 2:19-cv-1986-GMN-DJA

**JULY 2022 STIPULATION
BETWEEN THE UNITED STATES
AND JEFFREY A. MARTINEZ,
DOLORES M. MARTINEZ,
MARTINEZ & ASSOCIATES, INC.
(NV20041370692) AND
MARTINEZ & ASSOCIATES INC.
(NV20181033912)**

1 The United States of America, and defendants Jeffrey and Dolores Martinez, individually
2 and in their capacities as trustees for the Martinez Family Trust, and as representatives of
3 Martinez & Associates, Inc. (Nevada Business ID NV20041370692) (“Martinez & Associates
4 I”) and Martinez & Associates, Inc. (Nevada Business ID NV20181033912) (“Martinez &
5 Associates II”), previously reached a partial settlement in this matter, as reflected in the
6 Amended Partial Judgment at ECF No. 55. The United States and Mr. and Ms. Martinez have
7 now reached a second settlement updating the terms of their initial agreement and resolving
8 certain matters left open by that agreement. In light of their second agreement, they stipulate to
9 the terms below.

10 BACKGROUND

11 The United States sought a judgment against the Martinezes, and against two
12 corporations, Martinez & Associates I and Martinez & Associates II, associated with them, for
13 various federal tax liabilities. The United States also sought to foreclose its tax liens against
14 certain real property (the “Subject Property”) to help satisfy the judgments. The Subject
15 Property is located at 262 Cliff Valley Drive, Las Vegas, Nevada 89148, and is described in
16 further detail in the Complaint. It was putatively held in a trust, *i.e.*, the Martinez Family Trust
17 (the “Trust”), which the United States named as a defendant.

18 Under the initial settlement, the United States and Mr. and Ms. Martinez agreed to a
19 judgment against the Martinezes for various federal tax liabilities. (ECF No. 55 at 2-3). They
20 also agreed to judgment for the United States on its claims that to the extent the Trust held title to
21 the Subject Property, it was as Mr. and Ms. Martinez’s nominee, and/or that Mr. and Ms.
22 Martinez had fraudulently conveyed or transferred the Subject Property to the Trust, such that
23 the transfer or conveyance should be avoided or set aside. However, the settlement and the
24 resulting partial judgment did not address the United States’ claim for foreclosure on the Subject
25 Property.

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2 **SECOND AGREEMENT**

3 The Martinezes and the United States have now reached a further agreement. In light of
4 the agreement, the United States, the Martinezes, and the two corporations stipulate as follows:

5 1. The First, Second, and Third Claims for relief sought judgments against the
6 Martinezes and two corporations they controlled for various federal tax liabilities. The Fourth,
7 Fifth and Sixth Claims for Relief alleged that the Martinezes and the two corporations were
8 liable for each other's tax debts as successors and/or alter egos. The Seventh and Eight Claims
9 for Relief alleged that the Trust held the Subject Property as Mr. and Ms. Martinez's nominee,
10 and/or that they had fraudulently transferred or conveyed the Subject Property to the Trust, such
11 that the transfer or conveyance should be set aside or avoided. The Martinezes stipulated to
12 judgment against themselves and in favor of the United States on each of these counts, and do
13 not seek to challenge the judgment. (*See* ECF No. 55 (Amended Partial Judgment)).

14 2. The Ninth Claim for Relief sought to foreclose the federal tax liens listed in
15 Claims One through Three on the Subject Property. **Jeffrey and Dolores Martinez** now
16 stipulate to judgment in favor of the United States as to **the findings sought in the Ninth Claim**
17 **for Relief**. Mr. and Ms. Martinez agree that the United States has the right to collect against the
18 Subject Property now and in the future, subject to the terms in their second settlement agreement.

19 3. **Jeffrey and Dolores Martinez** further consent to **the entry of an order of sale**
20 similar to the proposed Order Allowing Foreclosure of Liens and For Sale of Property by
21 receiver on the United States' Behalf that is attached as Ex. A, with such changes as the Court
22 may direct.

23 4. The United States and Jeffrey and Dolores Martinez acknowledge that they have
24 entered a separate and more detailed settlement agreement that, among other terms, calls for the
25 Martinezes to make certain payments, and that, in exchange, the United States may defer or

1 forgo selling the property. Jeffrey and Dolores Martinez agree that the United States remains
2 free to sell the Subject Property if they fail to make any of the payments or are otherwise in
3 breach of the agreement.

4
5 Signed this 23 day of ^{AUGST} July, 2022.

6 DAVID A. HUBBERT
7 Deputy Assistant Attorney General

8 /s/ E. Carmen Ramirez
9 E. CARMEN RAMIREZ
10 Trial Attorney, Tax Division
11 U.S. Department of Justice
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17 western.taxcivil@usdoj.gov

8 Signed this 5 day of ^{Aug} July, 2022

9 Jeffrey Martinez
10 JEFFREY MARTINEZ, individually and for
11 MARTINEZ & ASSOCIATES, INC.
12 (Nevada Business ID NV20041370692) and
13 MARTINEZ & ASSOCIATES, INC.
14 (Nevada Business ID NV20181033912)

15 Signed this 5 day of Aug, 2022

16 Dolores Martinez
17 DOLORES MARTINEZ individually and for
18 MARTINEZ & ASSOCIATES, INC.
19 (Nevada Business ID NV20041370692) and
20 MARTINEZ & ASSOCIATES, INC.
21 (Nevada Business ID NV20181033912)

EXHIBIT A

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11 IN THE UNITED STATES DISTRICT COURT
12 FOR THE DISTRICT OF NEVADA

13 UNITED STATES OF AMERICA,

14 Plaintiff,

15 v.

16 JEFFREY A. MARTINEZ, individually,
17 and as Trustee of the Martinez Family Trust;
18 DOLORES M. MARTINEZ, individually and
19 as Trustee for the Martinez Family Trust;
20 THE MARTINEZ FAMILY TRUST;
21 MARTINEZ & ASSOCIATES, INC.
(NV20041370692); MARTINEZ &
22 ASSOCIATES INC. (NV20181033912);
23 SIERRA MORTGAGE CORPORATION;
24 FIDELITY NATIONAL TITLE; CHASE
MORTGAGE COMPANY; JP MORGAN
25 CHASE BANK NATIONAL
ASSOCIATION; RHODES RANCH
ASSOCIATION; and REPUBLIC SILVER
STATE INC., DBA, REPUBLIC SERVICES,

Defendants.

Case No.: 2:19-cv-1986-GMN-DJA

**[PROPOSED] ORDER ALLOWING
FORECLOSURE OF LIENS AND
FOR SALE OF PROPERTY BY
RECEIVER ON THE UNITED
STATES' BEHALF**

1 Before the Court is the United States' Motion for Order Allowing Foreclosure of Liens
2 and Sale of Property. The Motion is hereby GRANTED. Pursuant to 11 U.S.C. § 7402 and §
3 7403, it is hereby ORDERED as follows:

4 1. This Order pertains to the real property (the "Subject Property") commonly
5 described as 262 Cliff Valley Drive, Las Vegas, Nevada, 89148, and legally described as:

6 Parcel 1:

7 Lot 169 in Block 5 of Amended Final Map of Rhodes Ranch Phase 1, as
8 shown by map thereof on file in Book 82 of Plats, Page 48 in the Office of
9 the County Recorder of Clark County, Nevada.

10 Parcel 2:

11 A non-exclusive easement of use access and enjoyment in and to the
12 "Common Area" as further defined in that Certain Covenants, Conditions
13 and Restrictions for Rhodes Ranch, a Planned Community, recorded August
14 13, 1997, in Book 970813 as Document No. 01479, of Official Records,
15 Clark County, Nevada.

16 Assessor's Parcel No.: 176-08-310-113.

17 2. The Subject Property has putatively been held in the name of the Martinez Family
18 Trust. However, pursuant to the Amended Partial Judgment, the transfer of the Subject Property
19 from the Martinezes to the trust was a fraudulent transfer or conveyance and has been avoided or
20 set aside. (ECF No. 55 at ¶ 9). Alternatively, to the extent the trust holds title to the Subject
21 Property, it is as the Martinezes' nominee. (*Id.* at ¶ 8).

22 3. The United States has valid and subsisting federal tax liens on all property and
23 rights to property of Jeffrey A. Martinez and Dolores M. Martinez, including the Subject
24 Property, arising from the assessments described in the United States' Complaint (ECF No. 1)
25 and Amended Partial Judgment. (ECF No. 55).

4. 26 U.S.C. § 7403 entitles the United States to enforce its liens against the Subject
Property in order to apply the proceeds towards the tax liabilities at issue in this suit.

1 5. The United States' federal tax liens against the Subject Property are hereby
2 foreclosed.

3 6. IT IS FURTHER ORDERED that Timothy Kimball is APPOINTED, pursuant to
4 26 U.S.C. § 7402(a) and § 7403(d), to act as the receiver to enforce the tax liens at issue in this
5 case according to the terms set out below.

6 7. Mr. Kimball, License #S.57126, of The Kimball Team, Urban Nest, 8475 W.
7 Sunset Las Vegas, NV 89113, (702)-290-8465 (the "Receiver"), is directed to take custody
8 immediately and arrange the sale of the Subject Property, subject to approval by this Court.

9 8. The Receiver is directed to take possession of the Subject Property, including all
10 improvements, buildings, fixtures, materials, contents, and appurtenances thereon, to preserve
11 and protect the value of that property, to put it into saleable condition, and to arrange for the sale
12 of that property, free and clear of any rights, titles, claims, or interests of any of the parties to this
13 action.

14 9. The Receiver's sale of the Subject Property shall occur according to the following
15 terms:

16 a. The Receiver shall have the authority to, and is directed to, arrange for the
17 sale of the Subject Property subject to approval by this Court. The initial
18 listing price may be set by the United States in consultation with the
19 Receiver. If lack of buyer interest or buyer feedback indicates that the
20 listing price is too high, the United States, in consultation with the
21 Receiver, may lower the listing price. The United States, in consultation
22 with the Receiver, shall have the exclusive authority to decide what
23 counter-offers, if any, to make in response to an offer. The United States
24 shall have the exclusive authority to decide whether to accept an offer or
25 counter-offer for the property, conditioned on Court approval. The terms

1 of any purchase agreement shall include the balance of the purchase price
2 paid in cash or certified check at closing, and shall include an earnest
3 money deposit, in an amount to be approved by the United States,
4 forfeitable upon the purchaser's failure to perform. The Receiver shall
5 ensure that the deposit is made into the court's registry, or into escrow
6 with further disbursements to be made by the escrow agent as authorized
7 by the Court through this order and any future order(s). The buyer shall be
8 responsible for all escrow fees. Any forfeited earnest money proceeds
9 shall be distributed first to the Receiver to the extent of expenses incurred
10 by the Receiver in accordance with paragraph 9(b) of this order, with the
11 remainder to be deposited directly into the court's registry, or into escrow,
12 with the escrow agent responsible for transmitting the funds, including any
13 funds remaining from the initial deposit, to the court's registry, for further
14 adjudication, except to the extent the United States, in its exclusive
15 discretion, agrees that such monies may be used for maintenance, repairs,
16 and/or improvements. A purchase agreement may include other
17 customary and reasonable terms in the discretion of the United States, in
18 consultation with the Receiver. **The closing shall not occur until after**
19 **the sale has been approved by further order of this Court.** At closing,
20 the purchaser or purchasers shall receive a quitclaim deed to the Subject
21 Property, executed by the Receiver that shall be free and clear of the
22 interests or other claims of all parties to this action with the same to attach
23 to the proceeds, with the order of priority to be determined by any
24 stipulations between the claimants (subject to the Court's approval) and
25

1 such further order concerning the validity and priority of claims as is
2 appropriate.

3 b. The Receiver shall have all of the rights and powers necessary to fulfill his
4 obligations under this Order, specifically including, but not necessarily
5 limited to, the power to enter the Subject Property, to inspect the Subject
6 Property, to advertise the sale of the Subject Property, to show the Subject
7 Property to prospective buyers, to take any action reasonably necessary to
8 protect and preserve the value of the Subject Property prior to sale, and to
9 put the Subject Property into saleable condition, including making
10 expenditure of funds that are first approved by the United States for
11 reasonable and necessary repairs, maintenance, and minor improvements,
12 including, but not limited to, the purchase of property and liability
13 insurance.

14 c. All persons occupying the Subject Property shall leave and vacate
15 permanently, each taking with them his or her personal property (but
16 leaving all improvements, buildings, fixtures, and appurtenances) when
17 leaving and vacating.

18 d. If, after 30 days from the date of this Order, any person has failed or
19 refused to vacate the Subject Property, the Receiver is authorized to
20 coordinate with the United States Marshal's Office, or the Clark County
21 Sheriff's Office, or the Clark County Constable to take all actions that are
22 reasonably necessary to have those persons ejected. The United States
23 Marshals Service and/or the Clark County Sheriff's Office and/or the
24 Clark County Constable are authorized and directed to take any and all
25 necessary actions, including but not limited to the use of reasonable force,

1 to enter and remain on the premises, which includes, but is not limited to,
2 the land, the buildings, vehicles, and any structures located thereon, for the
3 purpose of executing this Order. The United States Marshals Service
4 and/or the Clark County Sheriff's Office and/or the Clark County
5 Constable are further authorized and directed to arrest and/or evict from
6 the premises any and all persons who obstruct, attempt to obstruct, or
7 interfere or attempt to interfere, in any way with the execution of this
8 Order. Any personal property remaining on the Subject Property after 30
9 days from the date of this Order is deemed forfeited and abandoned, and
10 the Receiver is authorized to dispose of it in any manner seen fit, including
11 sale, in which case the proceeds of that sale are to be applied first to the
12 costs and expenses of sale and the balance shall be paid into the Court for
13 further distribution. The United States may authorize the Receiver to
14 consult with various experts on the sale of contents inside the property,
15 including art, furnishings, vehicles, and equipment. Nothing in this Order
16 shall be construed to restrict or otherwise interfere with the Internal
17 Revenue Service's ability to administratively collect against personal
18 property, in accordance with the law.

- 19 e. The Receiver shall be compensated from the proceeds of the sale of the
20 Subject Property (a) in an amount equal to five-percent (5%) of the gross
21 sale proceeds from which the Receiver must pay any buyer broker
22 commission; (b) for his reasonable and necessary expenditures under
23 paragraph 9(b) above (i.e., for repairs, maintenance, minor improvements,
24 and/or insurance) that were first approved by the United States; and (c)
25 with respect to any consultations concerning the sale of personal property

1 that were first approved by the United States under paragraph 9(d), above,
2 the Receiver is authorized to charge \$50 per hour for these services,
3 limited to no more than 20 hours per month. The Receiver shall receive
4 payment of the above-described compensation from a distribution from
5 the proceeds of a sale approved by the Court at closing, as the United
6 States' cost and expenses of sale, and before any net sale proceeds are
7 used to pay any other claims of the parties to this action.

8 f. Net proceeds shall be deposited with the Court unless directed otherwise
9 by the Court. The distribution shall be first to the Receiver and/or the
10 United States and Internal Revenues Service for the costs and expenses of
11 the sale. The distribution of the remaining proceeds should be determined
12 either through stipulation between the remaining parties and approved by
13 the Court, or, if all parties seeking to make a claim cannot reach an
14 agreement, by order of the Court after submission of briefs by the
15 remaining parties setting forth their arguments as to how the remaining
16 proceeds should be distributed.

17 10. All the defendants in this case, and all other persons acting in concert with, or on
18 their behalf, are hereby restrained and enjoined from doing anything that tends to interfere with
19 or reduce the value or marketability of the Subject Property, or from interfering with the
20 Receiver, or with the Receiver's efforts to comply with his obligations under this Order.

21 Violation of this paragraph shall be deemed a contempt of court and punishable as such.

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1 Dated this ____ day of May, 2022.

2 IT IS SO ORDERED:

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5 UNITED STATES DISTRICT JUDGE
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DRAFT

EXHIBIT 2

1 DAVID A. HUBBERT
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25 CHASE BANK NATIONAL)
ASSOCIATION; RHODES RANCH)
ASSOCIATION; and REPUBLIC SILVER)
STATE INC., DBA, REPUBLIC SERVICES,)

26 Defendants.)

Case No.: 2:19-cv-1986-GMN-DJA

**[PROPOSED] JUDGMENT
AGAINST JEFFREY A. MARTINEZ
AND DOLORES M. MARTINEZ
INDIVIDUALLY AND AS
TRUSTEES FOR THE MARTINEZ
FAMILY TRUST**

1 This is a federal tax dispute. As discussed below, the United States sought judgments
2 against taxpayers Jeffrey and Dolores Martinez and two corporations associated with them for
3 certain delinquent tax liabilities. The United States also sought to foreclose tax liens on certain
4 real property to help satisfy the judgments, and therefore named as parties several entities that
5 might make a claim to the property. The Complaint also alleged that to the extent the real
6 property was held in a trust associated with the Martinezes, the Martinez Family Trust (the
7 “Trust”), the Trust held the property as the Martinezes’ nominee and/or as a fraudulent transfer or
8 conveyance.

9 The United States and the Martinezes reached a stipulation to judgment on certain claims
10 for relief. That stipulation was approved and a partial judgment entered, which was subsequently
11 amended to correct a typographical error. The operative judgment, ECF No. 55, awarded
12 monetary relief to the United States and against Mr. and Ms. Martinez for various federal tax
13 liabilities. (ECF No. 55 at 2-3). It also granted judgment to the United States on its claims that
14 to the extent the Trust held title to the property, it was as Mr. and Ms. Martinez’s nominee, and/or
15 that Mr. and Ms. Martinez had fraudulently conveyed or transferred the real property to the Trust,
16 such that the transfer or conveyance should be avoided or set aside. However, the partial
17 judgment did not address the United States’ claim for foreclosure on the property.

18 However, Mr. and Ms. Martinez and the United States have informed the Court that they
19 have entered into a separate settlement agreement, and the United States has submitted a motion
20 to approve a stipulation as to judgment and to enter judgment.

21 In light of the motion, and based on the record before the Court, the Court has determined
22 that there is no just cause reason for delay, to enter a second partial judgment on the remaining
23 claim in this case as described below. It is therefore ORDERED that:

24 1. The 2022 stipulation between the United States and Mr. and Ms. Martinez is
25 APPROVED.

