

STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

REAL ESTATE INVESTMENT
NETWORK, LLC, an Oregon limited
liability company; KERRY
HEMMINGSSEN, individually and on
behalf of his marital community; DANIEL
STACK, individually and on behalf of his
marital community; and WILLIAM
GASTINEAU, individually and on behalf
of his marital community;

Defendants.

NO.

COMPLAINT FOR INJUNCTIVE
AND OTHER RELIEF UNDER
THE CONSUMER PROTECTION
ACT, RCW 19.86

The Plaintiff, State of Washington, by and through its attorneys Robert W. Ferguson, Attorney General, and Heidi Anderson and Mina Shahin, Assistant Attorneys General, brings this action against Defendants Real Estate Investment Network LLC, Kerry Hemmingsen, Daniel Stack, and William Gastineau (collectively "Defendants") for violations of the Consumer Protection Act, RCW 19.86. The claims for relief alleged herein arise from the unfair and deceptive acts and practices used by Defendants to convince consumers with recently foreclosed property to enter into unconscionable agreements that convey the consumer's ownership interest in said property, including rights to surplus funds, to Real Estate Investment

1 Network, LLC ("REIN") in exchange for a small fraction of the amounts they are entitled to
2 under law. The State alleges the following:

3 I. INTRODUCTION

4 1.1 As detailed herein, Defendants approach consumers in the State of Washington
5 (the "State" or "Washington") with an offer for REIN to—purportedly—assist the consumer in
6 recovering surplus funds resulting from the sale of the consumer's real property following either
7 a non-judicial or judicial foreclosure (hereinafter "Surplus Funds"). The "fee" for this purported
8 assistance equates to a significant portion of the surplus, in several instances exceeding 60
9 percent of the total recovery. REIN then presents these consumers with documents conveying
10 the consumers' interest in and to the Surplus Funds to REIN. Consumers think they are engaging
11 REIN for a service, but in reality are assigning rights to the equity in their home.

12 1.2 The process for recovering Surplus Funds is fairly straightforward, quick and
13 inexpensive; it can be done by a consumer either alone or with limited assistance from an
14 attorney. However, utilizing aggressive sales tactics, misrepresentations and omissions of
15 material fact, Defendants mislead consumers into believing that the process requires extensive
16 work, expertise, and could take up to a year without REIN's assistance. Preying on consumers'
17 unfamiliarity with the foreclosure process and immediate financial need, Defendants convey a
18 false sense of urgency to consumers, suggesting that failure to act quickly to recover Surplus
19 Funds might negate the consumer's ability to recover anything at all. On the basis of Defendants'
20 misrepresentations and material omissions, consumers have retained REIN to recover Surplus
21 Funds in exchange for amounts grossly exceeding what would be considered reasonable fees and
22 costs. Consequently, Defendants have engaged in unfair and deceptive business practices in
23 violation of the CPA.

24 II. PARTIES

25 2.1 The Plaintiff is the State of Washington, Office of the Attorney General.
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1 2.2 Authority of the Attorney General to commence this action is conferred by
2 RCW 19.86.080 and RCW 19.86.140. The Attorney General may seek restitution, injunctive
3 relief and civil penalties, and its costs and reasonable attorney's fees in an action brought under
4 RCW 19.86.080 and RCW 19.86.140.

5 2.3 On information and belief, Defendant REIN is an Oregon limited liability
6 company with its principal place of business located at 1455 NW Irving #200, Portland, Oregon
7 97209 and maintains business addresses in Washington. REIN is not registered to do business in
8 the State of Washington.

9 2.4 At all material times to this lawsuit, REIN regularly conducted business through
10 its agents, employees, and/or representatives in counties throughout Western Washington,
11 including in King County.

12 2.5 On information and belief, Defendant Kerry Hemmingsen ("Hemmingsen") is a
13 resident of Bellevue, King County, Washington. Before his involvement with REIN, Defendant
14 Hemmingsen was the subject of two prior enforcement actions by the Washington Attorney
15 General: (1) *State of Washington v. A.G. Rothchild and Associates, Inc., et al.*, King County Case
16 No. 88-2-15963-7¹ (the "Rothchild Enforcement Action"); and (2) *State of Washington v.*
17 *Micro Data Computers, Inc., et al.*, King County Case No. 93-2-11504-1² (the "Micro Data
18 Enforcement Action"). Pursuant to the Consent Decree entered in the Rothchild Enforcement
19 Action, Defendant Hemmingsen is "enjoined and permanently restrained in the State of
20 Washington from making any misrepresentations in the context of any sale, performance of any
21 contract, or performance of a contract." In or around 2010, Defendant Hemmingsen marketed
22 himself on YouTube as "America's Foremost Foreclosure Profit Expert" and sold an audio
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24 ¹ The Rothchild Enforcement Act involved operation of a telephone boiler room that purported to sell rare
25 coins and investment opportunities in oil drilling and recovery ventures. *See* Stipulated Findings of Fact,
26 Conclusions of Law, and Agreed Judgment as to Defendant Kerry Hemmingsen, dated April 3, 1989.

²The Micro Data Enforcement Action involved marketing and sale of computer equipment that
Hemmingsen's company failed to deliver. *See* Stipulated Findings of Fact, Conclusions of Law, Judgment and
Decree as to Defendants Micro Data Computers, Inc. and Kerry Hemmingsen, dated August 11, 1995.

1 program entitled “Fast Track to Foreclosure Fortunes”—which purported to help people make
2 money through the purchase of properties in foreclosure—for \$199.³ Defendant Hemmingsen
3 also filed a voluntary Chapter 11 bankruptcy petition on August 27, 2010, which was converted
4 to a case under Chapter 7 on May 5, 2011.⁴ At the request of the United States Trustee, Defendant
5 Hemmingsen was denied discharge pursuant to 11 U.S.C. §727(a)(2) (transfer and/or
6 concealment of assets with intent to hinder, delay or defraud a creditor), 11 U.S.C. §727(a)(3)
7 (failure to maintain or preserve financial records) and 11 U.S.C. §727(a)(4) (false oaths or
8 accounts and withholding of financial information with fraudulent intent).⁵

9 2.6 At all material times to this Complaint, Hemmingsen was an agent, employee,
10 and/or representative of REIN. Defendant Hemmingsen engaged in direct communication with
11 Washington consumers to procure agreements and related documents providing for the
12 assignment of Surplus Funds resulting from those consumer’s residential real property
13 foreclosure to Defendant REIN, in furtherance of the violations of Washington law set forth
14 herein. At all times material to this Complaint, acting alone or in concert with others, he has
15 formulated, directed, controlled, personally participated in, and/or with knowledge approved of
16 the acts or practices set forth in this Complaint.

17 2.7 On information and belief, at all material times to this lawsuit, Defendant Daniel
18 Stack (“Stack”) is a resident of Bothell, Washington. At all material times to this Complaint,
19 Stack was Vice President of Sales and Operations for REIN. Defendant Stack engaged in direct
20 communication with Washington consumers to procure agreements and related documents
21 providing for the assignment of Surplus Funds resulting from those consumer’s residential real
22 property foreclosure to Defendant REIN, in furtherance of the violations of Washington law set
23 forth herein. At all times material to this Complaint, acting alone or in concert with others, he

24
25 ³ See, e.g., <https://www.youtube.com/watch?v=Iv8OiHMsnaK>.

26 ⁴ U.S. Bankruptcy Court, Western District of Washington Case No. 10-20136-MLB (the “Bankruptcy Case”).

⁵ See Bankruptcy Case, Dkt. #93, 98.

1 has formulated, directed, controlled, personally participated in, and/or with knowledge approved
2 of the acts or practices set forth in this Complaint.

3 2.8 On information and belief, Defendant William Gastineau ("Gastineau") is a
4 resident of Kirkland, King County, Washington. At all material times to this Complaint
5 Gastineau was a District Sales Manager for REIN. Defendant Gastineau engaged in direct
6 communication with Washington consumers to procure agreements and related documents
7 providing for the assignment of Surplus Funds resulting from those consumers' residential real
8 property foreclosure to Defendant REIN, in furtherance of the violations of Washington law set
9 forth herein. At all times material to this Complaint, acting alone or in concert with others, he
10 has formulated, directed, controlled, personally participated in, and/or with knowledge approved
11 of the acts or practices set forth in this Complaint.

12 2.9 Defendants directed, controlled, formulated, and/or carried out the acts, practices,
13 and activities that are the subject of this complaint. Defendants are liable for all acts, practices,
14 and activities carried out by each Defendant that is the subject of this complaint. Because
15 Defendants have operated as a common enterprise, each of them is jointly and severally liable
16 for the deceptive and/or unfair acts and practices described herein.

17 2.10 Defendants, at all times relevant to this action, have been engaged in trade or
18 commerce within the meaning of RCW 19.86.020.

19 **III. JURISDICTION AND VENUE**

20 3.1 This Court has subject matter jurisdiction over this Complaint under the provisions
21 of the Consumer Protection Act, RCW 19.86.

22 3.2 This Court has personal jurisdiction over Defendants because each has engaged in
23 the conduct set forth in this Complaint in King County and elsewhere in the State of Washington.

24 3.3 Venue is proper in King County pursuant to RCW 4.12.025 because one or more of
25 the Defendants reside in King County and/or transacts business in King County.
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IV. FACTS

A. Surplus Funds Resulting from Judicial and Non-Judicial Foreclosures

4.1 The United States experienced a foreclosure crisis following the 2008 financial collapse, triggered by the burst of the housing bubble in the early-2000s. Given the significant decline in residential real property values and the rise in unemployment during that period, mortgage delinquencies and foreclosures soared.⁶

4.2 During the foreclosure crisis and its immediate aftermath, foreclosures of residential real property mortgages rarely resulted in surplus funds because the amount owed on the home was higher than the home's value. Accordingly, in a large percentage of foreclosures during the mortgage crisis, real property sold in trustee's and sheriff's sales during the mortgage crisis was bought by the lender as the result of a credit bid. During this period, distressed homeowners facing foreclosure were subject to the predations of foreclosure rescue scams and, for those homeowners who were not underwater, pre-foreclosure equity-skimming scams. Accordingly, the Attorney General's Office took enforcement actions, and the Legislature enacted statutes to protect homeowners.

4.3 However, the supply of underwater foreclosed properties in Western Washington has evaporated as skyrocketing housing demands have dramatically changed the residential real estate market.⁷ ⁸ Now, with foreclosures on a downward trend, foreclosure rescue and pre-foreclosure equity-skimming scams have become less prevalent. So, instead of skimming equity *before* the sale occurs, REIN seeks to acquire the consumer's equity *after* consummation of the foreclosure sale.

4.4 Under Washington law, the proceeds from a trustee's sale of real property—commonly known as a nonjudicial foreclosure sale—are first applied to cover the costs of sale,

⁶ https://www.federalreservehistory.org/essays/subprime_mortgage_crisis

⁷ <https://www.forbes.com/sites/samanthasharf/2018/01/03/housing-outlook-2018-six-predictions-from-the-experts/#381bd1f14066>

⁸ <https://www.attomdata.com/news/foreclosure-trends/2017-year-end-u-s-foreclosure-market-report/>

1 and then to pay off the obligation secured by the deed of trust (the mortgage loan being
2 foreclosed upon). If any amount remains, these Surplus Funds less a clerk's filing fee, "shall be
3 deposited, together with written notice of the amount of the surplus, a copy of the notice of
4 trustee's sale, and an affidavit of mailing as provided in this subsection, with the clerk of the
5 superior court of the county in which the sale took place." RCW 61.24.080; *see also*
6 RCW 61.12.150 (providing for the treatment of Surplus Funds resulting from a judicial
7 foreclosure).

8 4.5 For at least one Washington trustee firm, Surplus Funds are routinely deposited
9 with the Court, and notice of the deposit filed and mailed to all identified parties requiring notice
10 pursuant to RCW 61.24.040(1), within 60 days of the Trustee's Sale, if not sooner.

11 4.6 Once the Surplus Funds are deposited with the superior court, parties with an
12 interest in those funds may claim them in a specified order. "Interests in, or liens or claims of
13 liens against the property" at issue attach to the Surplus Funds "in the order of priority that it had
14 attached to the property". RCW 61.24.080(3). Where Surplus Funds remain after payment of all
15 junior lien holders, the owner of record at the time of the trustee's sale may assert a claim in such
16 Surplus Funds. *See also* RCW 61.12.150 (providing for disbursement of Surplus Funds
17 following a judicial foreclosure). This allows now-former homeowners to capture the "equity"
18 in their homes, even when those homes are sold at a foreclosure auction. Because the hierarchy
19 of interests is applied mechanically, determining the amounts owed to each interested party is a
20 relatively straightforward matter in most cases. With rising real estate values and the costs
21 associated with moving after the loss of their home, these funds can be significant.

22 4.7 A request for disbursement of Surplus Funds may be made at any time after the
23 trustee's sale, upon 20 days' notice, by a written motion and a hearing in the superior court for
24 the county in which the Surplus Funds were deposited. *See* RCW 61.24.080(3); RCW 61.12.150.

25 4.8 An attorney is not required for a consumer to claim his or her share of the Surplus
26 Funds. Instead, the consumer may make a *pro se* application to the court for the release of

1 Surplus Funds. The costs typically associated with a *pro se* application for release of Surplus
2 Funds are as follows: (a) a filing fee that ranges between \$20 and \$35, depending on the county;
3 and (b) the cost of mailing the motion pleadings to each party for service (between \$7.16 and
4 \$9.40 per party). If the movant requires documents from the court related to the motion or
5 trustee's sale, there may be additional costs associated with such copies. At current postage rates,
6 and assuming between 5-20 notice parties, the total costs associated with a *pro se* application for
7 the release of Surplus Funds are estimated at \$75 to \$225.

8 4.9 In the event a consumer wants or needs to retain counsel to seek the Surplus
9 Funds, reasonable hourly fees and costs for disbursement of Surplus Funds in a consumer
10 foreclosure would rarely exceed a few hours of work and the costs outlined herein. Moreover,
11 income-eligible consumers may qualify for free or "low-bono" assistance in obtaining Surplus
12 Funds through legal aid organizations, such as Northwest Justice Project.

13 4.10 Homes are not merely financial assets. They are the place where families grow
14 and make memories, a source of pride, an offer of safety and security, and a place to find
15 community. The loss of a home to foreclosure is a devastating event, occurring via an
16 unemotional legal process. Given the psychological trauma associated with foreclosure,
17 consumers who have recently lost their home to foreclosure are a vulnerable population, and are
18 easy prey for operators seeking to capture the consumers' home equity. Moreover, consumer
19 homeowners are often unfamiliar with and intimidated by the foreclosure and Surplus Funds
20 process, such that enterprising people and companies can take advantage of them.

21 4.11 The State of Washington has therefore taken a strong position on protecting
22 financially distressed homeowners' interest in equity built up in their homes. In response to a
23 rise in equity skimming and foreclosure scams, the Washington Legislature passed House Bill
24 2791 in 2008, providing safeguards for people trying to save their home from foreclosure and
25 requiring new disclosures and responsibilities for those claiming to help homeowners facing
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1 foreclosure.⁹ In 2010, the Washington legislature made it unlawful to receive or contract with a
2 former homeowner to locate surplus funds held by a county after a foreclosure for delinquent
3 property taxes, in excess of five percent of the value returned to the owner of such funds.¹⁰ The
4 public policy animating each of these statutes – that unscrupulous companies and individuals
5 should not be permitted to capture the home equity of financially distressed homeowners –
6 applies with equal force where companies seek to capture equity following a nonjudicial
7 foreclosure sale.

8 **B. REIN’S Solicitation of Consumers and Applications for Surplus Funds**

9 4.12 REIN, through its agents and/or representatives, solicits consumers in
10 Washington, including without limitation senior citizens, who recently lost their homes to
11 foreclosure to induce them to enter into an agreement for the purpose of recovering Surplus
12 Funds.

13 4.13 On information and belief, Defendants target consumers who may not have a full
14 understanding of the foreclosure process, including their right to sell the home during the
15 foreclosure process.

16 4.14 Several consumers targeted by Defendants may have been able to sell their home
17 on the real estate market, pay off their mortgage with the proceeds and receive the full benefit of
18 the equity in their homes, but either lacked the understanding that this was an option or the
19 financial means to do so.

20 4.15 On information and belief, Defendants perform research prior to approaching
21 foreclosed consumers and are in possession of information regarding the foreclosure sale and
22 anticipated Surplus Funds resulting from such sales at the time of the solicitation.

23 4.16 Defendants approach consumers within days, and in some cases hours, of the
24 foreclosure of their property and before the consumer(s) receive any statutory or legal notice that
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26 ⁹ RCW 61.24.020

¹⁰ RCW 63.29.350(1).

1 Surplus Funds are available and have been deposited with the appropriate court clerk. These
2 consumers are unlikely to be familiar with the procedure to recover Surplus Funds.

3 4.17 Consumers targeted by Defendants are under severe financial and emotional
4 distress, having not only lost their home to a foreclosure, but in many cases required to vacate
5 their home within 20 days of the foreclosure sale. This leaves them vulnerable to the high-
6 pressure tactics employed by Defendants.

7 4.18 On information and belief, Defendants also target consumers who, due to their
8 level of education, stress and/or trauma associated with the foreclosure, lack adequate financial
9 or legal knowledge, skills, and expertise to evaluate or appreciate the nature and consequences
10 of the agreement being offered to them by Defendants.

11 4.19 Defendants utilize a variety of aggressive tactics to solicit consumers, including,
12 but not limited to, initiating contact with consumer via an unsolicited phone call and/or by
13 appearing at a consumer's residence without invitation or notice, and continuing to make
14 unsolicited phone calls and/or appearances at consumer's residence, even when a consumer
15 declines Defendants' services.

16 4.20 In at least one instance, Defendant Stack approached a consumer's 9-year-old
17 daughter as she got off the school bus, told her that he might be able to help her father get some
18 money, and handed her a note to deliver to her father. The same consumer was later maneuvered
19 into a meeting with Defendant Stack and three other individuals who presented themselves as
20 representatives of REIN. Defendants then used the consumer's concern about the well-being of
21 his children to agree to give REIN rights to obtain all Surplus Funds in exchange for a smaller
22 upfront payment from REIN.

23 4.21 In another situation, Defendant Stack appeared at a consumer's residence
24 uninvited on multiple occasions, several of which occurred after the consumer declined their
25 offer and asked him to leave. During at least one visit, Defendant Stack and another
26 representative of REIN pressured the consumer to sign an agreement with REIN, threatening

1 that she would run out of time to recover her Surplus Funds and ultimately be “left in the street
2 and not have anywhere to live.”

3 4.22 Defendants have also targeted elderly consumers, including visiting a retirement
4 home to persuade a consumer to convey all rights to Surplus Funds in exchange for a paltry
5 upfront payment from REIN, without providing any information regarding the amount of Surplus
6 Funds available for disbursement.

7 4.23 Defendant Stack represented to consumers that he has been through the
8 foreclosure process and is uniquely situated to assist them in such a difficult time.

9 4.24 Between these consumers’ lack of understanding regarding the foreclosure and
10 Surplus Funds processes and vulnerable emotional and financial position, Defendants’ sales
11 tactics pressure consumers to enter into a transaction involving tens of thousands of dollars in
12 the matter of hours or, at most, days.

13 4.25 Defendants also engage in conduct intended to pressure consumers to enter into
14 an agreement with REIN on the spot and without any real consideration or review of the
15 paperwork presented to them. Such conduct includes, but is not limited to, presenting a check
16 for \$15,000 at an initial meeting in exchange for immediately signing an agreement with REIN,
17 bringing a notary public to a meeting before the consumer has discussed the terms of a possible
18 engagement with REIN, and creating a false impression that the consumer’s ability to recover
19 Surplus Funds may be in peril absent prompt and immediate action.

20 4.26 In at least one instance, Defendant Gastineau falsely represented to consumers
21 that if they did not enter into an agreement with REIN and execute a Bargain and Sale Deed
22 immediately after the judicial foreclosure sale of their deceased father’s real property, they may
23 lose the ability to claim Surplus Funds resulting from that sale because the government might
24 keep them.

25 4.27 In the course of their solicitation of consumers, Defendants make a number of
26 misrepresentations to consumers, including without limitation the following:

- 1 a. If the consumer does not act right away, the Surplus Funds could end up
2 being paid to another party or escheating to the State;
- 3 b. A consumer cannot apply for Surplus Funds without an attorney, or that it
4 would be nearly impossible for a consumer to do so;
- 5 c. The process for obtaining Surplus Funds is very time-consuming and
6 complicated;
- 7 d. It will take up to a year before the consumer will actually receive the Surplus
8 Funds;
- 9 e. The consumer may never have learned about the availability of Surplus
10 Funds without REIN's assistance; and
- 11 f. The consumer should accept a small lump sum payment from REIN since
12 they may never be able to obtain surplus funds at all.

13 4.28 Defendants use these and other misrepresentations to convince shell-shocked
14 former home-owning consumers to agree to a one-sided deal that provides consumers a short-
15 term interest in exchange for a disastrous long-term result.

16 4.29 Defendants consummate the deal by presenting consumers with written
17 documents that assign all of the consumer's right, title, and interest in the real property to REIN,
18 including without limitation the right to recover any excess proceeds resulting from the sale of
19 the real property at issue. Where a consumer agrees to retain REIN to recover Surplus Funds,
20 Defendants require the consumer to execute any or all of the following documents (collectively
21 or individually referred to as "Agreement Documents"): a Real Estate Investment Network, LLC
22 ("REIN") Contract ("REIN Agreement"), a Memorandum of Assignment ("Memorandum"),
23 and/or a Bargain and Sale Deed ("B&S Deed"). Attached hereto as **Exhibit A** and incorporated
24 by reference are samples of a REIN Agreement, Memorandum and B&S Deed.

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1 4.30 Among other things, the REIN Agreement typically states “Owner wishes to sell
2 Owner’s rights to the property to REIN, including the right to seek the recovery of surplus
3 funds.”

4 4.31 In the case of a B&S Deed, the consumer typically agrees to “bargain, sells and
5 convey to [REIN] the below described real estate, including but not limited to Grantor(s) rights
6 and interests under RCW 61.12.150.” In at least one instance, Defendant Gastineau
7 misrepresented to a consumer that by signing the B&S Deed containing this language, the
8 consumer was merely allowing REIN to contact the court to obtain information regarding the
9 amount of Surplus Funds available after all liens were paid.

10 4.32 The Memorandum references an underlying agreement to assign “all of Owner’s
11 right, title and interest in and to the Surplus Funds, if any ...” and authorizes REIN to record the
12 Memorandum “to impart constructive notice of the Owner’s assignment of the Owner’s rights
13 to Surplus Funds to REIN.”

14 4.33 In at least one instance, REIN recorded a Memorandum containing the above
15 language before obtaining that consumer’s agreement to assign any interest in Surplus Funds.
16 See Exhibit A (“Memorandum”). In that instance, the consumer was told by Defendant Stack
17 that the Memorandum was solely for the purpose of allowing REIN to contact the trustee to
18 obtain additional information regarding the amount of Surplus Funds available. However, the
19 recorded Memorandum contains no such language. *Id.*

20 4.34 At the time a consumer executes one or more of the Agreement Documents, the
21 foreclosure sale of the real property at issue has already occurred and, as a result, the consumer
22 no longer has any rights to the real property; at most, the consumer maintains a right to proceeds
23 from the sale of the real property at issue in the form of Surplus Funds.

24 4.35 In return for executing one or more of the Agreement Documents, the consumer
25 receives one, or a combination, of the following:
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1 a. A lump sum payment from REIN, either by hand-delivery at the time of
2 signing or by a check delivered by an email from one of the Defendants shortly thereafter; or

3 b. A contingency fee percentage of the Surplus Funds collected by REIN.

4 4.36 In some instances, consumers may be provided with an up-front partial payment
5 via a check, to be followed by a portion of the Surplus Funds up to a certain percentage.

6 4.37 The REIN Agreement typically contains a clause permitting REIN to terminate
7 the terms of the agreement. However, it contains no corresponding language permitting the
8 consumer to terminate or rescind the REIN Agreement.

9 4.38 Where the consumer executes a Memorandum or a B&S Deed, REIN
10 immediately provides a notary public to notarize the consumer's signature. Thereafter, REIN
11 typically takes steps to record such document. Such recording has the effect, in part, of ensuring
12 REIN receives the statutorily required notice of any Surplus Funds deposited with the court.

13 4.39 On information and belief, Defendants often prevent consumers from viewing or
14 having all pages of documents executed by the consumer in connection with their assignment of
15 any right, title and interest in and to Surplus Funds to REIN.

16 4.40 In at least one instance, Defendants REIN, Stack, and Hemmingsen refused to
17 provide a consumer with a copy of the agreements she had purportedly executed, indicating that
18 they were "under review."

19 4.41 As noted above, Defendants provide a notary, either by bringing the notary to the
20 consumer's residence or meeting location, researching a nearby location or arranging for a
21 mobile notary to be on-call. This practice prevents consumers from having time to reconsider
22 entering into the REIN Agreement after indicating their willingness to do so. In each instance,
23 Defendants remit payment for such notary services.

24 4.42 In at least one instance, Defendant Stack drove a consumer to a UPS Store in his
25 car to obtain her notarized signature on a Memorandum, and then did not leave a copy of the
26 executed and notarized document with the consumer.

1 4.43 Defendants alleged “services” consist of nothing more than filing routine court
2 forms, providing notice to parties identified by the trustee and receiving a check from the Clerk
3 of the Court. On information and belief, REIN’s counsel utilizes form pleadings to obtain
4 disbursement of Surplus Funds. Such papers include the following (collectively, “REIN
5 Pleadings”): (a) Notice of Motion; (b) Motion for Order Disbursing Surplus Funds; (c)
6 Declaration in Support of the Motion for Order Disbursing Surplus Funds, (d) proposed Order
7 Disbursing Surplus Funds, and (e) Declaration of Mailing.

8 4.44 Declarations in support of REIN’s motion, signed by a Member of Defendant
9 REIN, Gregory Tousseing, characterize REIN as “successor in interest” to the consumer and
10 therefore “entitled to an order disbursing all surplus funds held ...” Attached hereto as **Exhibits**
11 **B** and **C** and incorporated by reference are copies of sample REIN Pleadings seeking
12 disbursement of Surplus Funds.

13 4.45 Defendants tell consumers that they will provide certain services to assist them
14 with obtaining Surplus Funds. However, the Agreement Documents, in effect, assign to REIN
15 all of the consumer’s right, title, and interest to such Surplus Funds in exchange for a lump sum
16 payment or future receipt of a percentage of the Surplus Funds. Accordingly, consumers believe
17 they are engaging REIN to perform a service for a fee, while in reality the consumers are
18 assigning all of their right, title and interest in Surplus Funds to REIN in exchange for a small
19 percentage of those funds.

20 4.46 Moreover, REIN’s “fee” for purported services are not standardized. Defendants
21 have charged consumers amounts which range from five percent (5%) to sixty-seven percent
22 (67%) of the Surplus Funds. As a result, REIN’s share of consumers’ Surplus Funds has ranged
23 from \$7,200 to \$90,061.23. This range represents only those consumers that the State has
24 identified as of the date below.

25 4.47 The following are examples of the amounts REIN would recover under existing
26 agreements with consumers, including the percentage of the consumer’s home equity captured:

- a. \$90,061.23 (67.18%) to REIN & \$44,000.00 to consumer;
- b. \$33,636.81 (63.90%) to REIN & \$19,000.00 to consumer;
- c. \$88,015.79 (62.42%) to REIN & \$53,000.00 to consumer;
- d. \$43,609.93 (61.33%) to REIN & \$27,500.00 to consumer;
- e. \$18,544.80 (40.00%) to REIN & \$27,817.20 to consumer.

4.48 As noted above, and contrary to Defendants' representations, Surplus Funds can be obtained without legal counsel and time is not of the essence. The process for obtaining surplus funds is also relatively uncomplicated and may be accomplished without hiring an attorney and only paying minimal filing, postage and fees.

**V. VIOLATION OF THE CONSUMER PROTECTION ACT, RCW 19.86.020
(UNCONSCIONABLE, UNFAIR AND DECEPTIVE ACTS)**

5.1 Plaintiff re-alleges Paragraphs 1.1 through 4.48 and incorporates them as if set fully herein.

5.2 Pursuant to RCW 19.86.020, "[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce are hereby declared unlawful."

5.3 The Consumer Protection Act defines "trade" and "commerce" as including "the sale of assets or services, and any commerce directly or indirectly affecting the people of the state of Washington. RCW 19.86.010(2). The definition of "Assets" includes "any property, tangible or intangible, real or personal, or mixed ..." RCW 19.86.010(3).

5.4 In connection with their solicitation of consumers to obtain Surplus Funds, Defendants have engaged in the use of unconscionable, unfair and deceptive commercial practices, false promises, misrepresentations, and/or concealment, suppression or omission of material facts.

5.5 Defendants have engaged in unfair and deceptive commercial practices, including, but not limited to, the following:

- 1 a. Targeting financially distressed and emotionally vulnerable consumers with
2 offers of immediate funds in exchange for entering into agreements that are contrary to the
3 consumer's best interest;
- 4 b. Engaging in aggressive sales tactics, such as making frequent unsolicited
5 calls to consumers, appearing at consumers' homes without invitation or notice, and continuing to
6 do both even after a consumer declines Defendants' services and asks them to leave;
- 7 c. Approaching consumers' elderly or underage family members, including a
8 consumer's nine-year-old daughter, to persuade consumers to engage REIN's services;
- 9 d. Misrepresenting that the process to recover Surplus Funds is complicated
10 and lengthy;
- 11 e. Misrepresenting and/or misleading consumers to believe that the process to
12 recover surplus funds requires legal counsel;
- 13 f. Misrepresenting the cost of hiring a lawyer to assist with recovering Surplus
14 Funds;
- 15 g. Misrepresenting the actual value of REIN's services when the process for
16 recovering surplus funds is not complicated or lengthy, nor requires legal counsel;
- 17 h. Failing to disclose the actual charges incurred in connection with the filing
18 of REIN Pleadings on behalf of consumers, including the filing fees and hourly rate of the
19 attorney(s) retained by Defendants to submit such filings;
- 20 i. Failing to tell consumers that they had the option to file a *pro se* application
21 to recover Surplus Funds;
- 22 j. Misrepresenting and/or misleading consumers to believe that the window of
23 opportunity to recover Surplus Funds is very short and that Surplus Funds may no longer be
24 available if not recovered quickly;
- 25 k. Misrepresenting and/or misleading consumers to believe that they are
26 receiving funds faster by utilizing Defendants' services;

1 l. Misrepresenting to consumers who agree to an upfront payment that there
2 is no guarantee additional Surplus Funds are available or would otherwise be recovered;

3 m. Misrepresenting, or failing to disclose, the amount of Surplus Funds
4 available for disbursement;

5 n. Misrepresenting the contents and/or purpose of the documents they are
6 asking consumers to sign;

7 o. Intimidating consumers into signing the agreement with REIN by claiming
8 that consumers could become destitute if they do not sign the agreement;

9 p. Pressuring consumers to execute documents quickly and without providing
10 an opportunity to review their content;

11 q. Failing to provide consumers with copies of executed documents;

12 r. Failing to respond to consumer inquiries about their agreements;

13 s. Seeking or receiving more than five percent (5%) of the value of Surplus
14 Funds to be returned to consumer homeowners; and

15 t. Charging consumers vastly different "fees" (e.g., 8 percent, 15 percent, 20
16 percent, 50 percent, 60 percent, 70 percent) to file an application for release of Surplus Funds when
17 the same application process applies to all consumers.

18 5.6 Defendants prepared and entered into contracts with consumers that are both
19 procedurally and substantively unconscionable, including without limitation as follows:

20 a. Pressuring consumers to enter into agreements that do not convey adequate
21 consideration for the assignment of the Surplus Funds;

22 b. Recovering exorbitant amounts ranging from \$7,200.00 to \$90,061.23 as a
23 result of doing nothing more than making a straightforward application for release of Surplus Funds;
24 and

25 c. Providing services that are not commensurate to the benefit consumers who
26 enter into the REIN Agreement receive.

1 5.7 The acts or practices described herein occurred in trade or commerce, specifically
2 the sale of services to and transfer of property from Washington residents.

3 5.8 These practices affected the public interest because they impacted numerous
4 Washington consumers. These practices constituted a pattern of conduct that Defendants committed
5 in the course of business and for which there is a real and substantial potential for repetition.

6 5.9 Pursuant to RCW 63.29.350(1), it is unlawful for any person or entity "to seek or
7 receive ... any fee or compensation for locating or purporting to locate ... funds held by a county
8 that are proceeds from a foreclosure for delinquent property taxes, assessments, or other liens ... in
9 excess of five percent of the value thereof returned to such owner." RCW 63.29.350(1).

10 5.10 Any violation of RCW 63.29.350 constitutes "an unfair and deceptive act in trade
11 or commerce, and an unfair method of competition"—a *per se* violation of RCW 19.86.020.

12 5.11 The conduct described in paragraph 5.5 and 5.6 constitutes unfair and deceptive acts
13 or practices in trade or commerce in violation of RCW 19.86.020 and is contrary to the public
14 interest.

15 5.12 Each violation of RCW 19.86.020 by Defendants constitutes a separate violation
16 under RCW 19.86.140.

17 **VI. PRAYER FOR RELIEF**

18 Wherefore, the State prays for the following relief:

19 6.1 That the Court adjudge and decree that Defendants have engaged in the conduct
20 complained herein.

21 6.2 That the Court adjudge and decree that the conduct complained of in this Complaint
22 constitutes unfair or deceptive acts or practices in violation of the Consumer Protection Act,
23 RCW 19.86.

24 6.3 That the Court issue a permanent injunction enjoining and restraining Defendants
25 and their representatives, successors, assigns, offices, agents, servants, employees, and all other
26

1 persons acting or claiming to act for, on behalf of, or in active concert or participation with
2 Defendants from continuing or engaging in the unlawful conduct complained of herein.

3 6.4 That the Court assess civil penalties, pursuant to RCW 19.86.140, of up to \$2,000
4 per violation against Defendants for each and every violation of RCW 19.86.020 alleged herein.

5 6.5 That the Plaintiff, State of Washington, recover from Defendants the costs of this
6 action, including reasonable attorney's fees, pursuant to RCW 19.86.080.

7 6.6 That the Court make such orders pursuant to RCW 19.86.080, as it deems
8 appropriate to provide for restitution to consumers of money or property acquired by Defendants as
9 a result of the conduct complained of herein.

10 6.7 That the Court order such other relief as it may deem just and proper to fully and
11 effectively dissipate the effects of the conduct complained of herein, or which may otherwise seem
12 proper to the Court.

13 DATED this 17th day of May, 2018.

14 Presented by:

15 ROBERT W. FERGUSON
16 Attorney General


17 
18 HEIDI ANDERSON, WSBA #37603
19 MINA SHAHIN, WSBA #46661
20 Assistant Attorneys General
21 Attorneys for Plaintiff State of Washington
22 800 Fifth Avenue, Suite 2000
23 Seattle, WA 98104
24 (206) 233-3386
25 (206) 326-5485
26

EXHIBIT A

**REAL ESTATE INVESTMENT NETWORK, LLC,
("REIN") CONTRACT AND ASSIGNMENT**

THIS AGREEMENT is made this ____ day of _____ 2018, by and between Real Estate Investment Network, LLC, ("REIN") and Lynn M Friend, ("Owner") regarding a residential address of 509 1st Ave E Pacific WA 98047.

A. REIN seeks to acquire the rights of the Owner for the purpose of seeking to recover surplus funds, if any, following either a judicial foreclosure sheriff's sale (RCW 61.12.150) or a non-judicial foreclosure trustee's sale (RCW 61.24.080(3)) (the "Surplus Funds").

B. Owner is the owner/borrower of the property that was foreclosed or the heir of the deceased owner/borrower of the property foreclosed and is solely entitled to the Surplus Funds following the foreclosure of that certain real property located at: Shire the Plat Block : Plat Lot 7 that was foreclosed on 3/23/2018 in King County, Washington (the "Property").

C. Owner wishes to assign the Owner's rights to the Property to REIN, including the right to seek the recovery of surplus funds.

NOW, THEREFORE, for good and valuable consideration including the following promises, terms and provisions, the parties agree as follows:

1. **Owner's Status.** Owner agrees to sign a Declaration, attached hereto as *Exhibit A*, and any other reasonably necessary documents to attest and verify the Owner's interest in the Property and good standing to seek the recovery of any surplus funds and to assist REIN in seeking the recovery of any such surplus funds.

2. **Assignment to REIN.** Owner hereby assigns to REIN all of Owner's right, title and interest to the Surplus Funds. Owner further agrees to execute an Memorandum of Assignment, attached hereto as *Exhibit B*, to memorialize the assignment of Owner's interest in the Property and Surplus Funds to REIN. Said Memorandum of Assignment shall be executed simultaneously with this Agreement. REIN shall be responsible for paying any excise taxes and recording costs associated with recording the Memorandum of Assignment with the county auditor.

3. **Payment to Owner.** REIN agrees to pay Owner as follows (check appropriate box):

☐ *Full contingency.* From any surplus funds successfully collected by REIN arising out of the foreclosure of the Property, the Owner shall receive 70% of such funds and REIN shall receive a fee of 30% of such funds after all fees and costs incurred in the retrieval of surplus funds have been deducted from the gross amount received. At signing, Owner shall receive from REIN \$100.00 as an advanced partial payment of Owner's share of the surplus funds. Owner shall retain this advanced partial payment regardless of whether REIN is successful in retrieving any surplus funds.

☐ *Mixed Contingency/Lump sum.* From any surplus funds successfully collected by REIN arising out of the foreclosure of the Property, the Owner shall receive 60% of such funds

and REIN shall receive a fee of 40% of such funds after all fees and costs incurred in the retrieval of surplus funds have been deducted from the gross amount received. Furthermore, REIN shall pay Owner a payment advance of the Owner's 60% share of the surplus funds in the amount of \$_____ or before the ____ day of _____, 2018, in the form of a bank draft payable to Owner. Owner's 60% share of the surplus funds shall be reduced by this advance payment. Owner shall retain this advanced partial payment regardless of whether REIN is successful in retrieving any surplus funds.

[] *Lump sum.* REIN shall pay Owner \$_____ or before the ____ day of _____, 2018, in the form of a bank draft payable to Owner.

4. Termination. In the event, REIN's motion to recovery surplus funds becomes contested by any person or party, or if Owner materially misrepresents Owner's interest in the Property, or for any other reason in REIN's sole determination, REIN may elect to discontinue any further efforts to seek recover of surplus funds and have no further responsibility to Owner.

5. General Terms:

Binding Effect. This Agreement shall inure to the benefit of, and be enforceable by, the Parties and their successors and/or assigns. The parties agree to sign such further documents as may be necessary to carry out the intent of this Agreement.

Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

Modification. Any waiver, alteration or modification of any of the provisions of this Agreement or cancellation or replacement of this Agreement shall not be valid unless in writing and signed by the parties.

Waiver. Failure to enforce any provision of this Agreement shall not be deemed a waiver of that provision. Waiver of any right or power arising out of this Agreement shall not be deemed waiver of any other right or power.

Choice of Law and Venue. This Agreement shall be interpreted according to the laws of the State of Washington. Any judicial action to resolve disputes arising out of this Agreement shall be brought in the Superior Court in which the Property is located.

Disputes/Attorney's Fees. In the event of any dispute between the parties arising out of or in connection with this Agreement, the prevailing party therein shall be entitled to recover from the other their costs and expenses incurred in resolving the dispute, including reasonable attorney's fees.

Counterparts. This Agreement may be executed simultaneously in counter parts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

I HAVE HAD ADEQUATE TIME TO COMPLETELY READ THIS AGREEMENT AND FULLY UNDERSTAND ALL ITS TERMS AND PROVISIONS.

SO AGREED:

REIN

By:
Date:

OWNER

Name:
Date:

AFTER RECORDING RETURN TO:

Real Estate Investment Network, LLC
29 Hollinwood
Irvine, CA 92618

Grantor(s) Name(s): Lynn M Friend
Grantor(s) Place of Residence: 509 1st Ave E Pacific WA 98047
Grantee(s) Name(s): Real Estate Investment Network LLC;
APN # <: 776020-0070
Abbreviated legal: SHIRE THE PLAT BLOCK: PLAT LOT: 7

MEMORANDUM OF ASSIGNMENT

WHEREAS, Owner is the owner of the Property that was foreclosed or the heir of the deceased owner of the Property foreclosed and is entitled to seek the Surplus Funds following the foreclosure of that certain real property located at: 509 1st Ave E, Pacific WA 98047 that was foreclosed on 03/23/2018 in King County, Washington (the "Property").

WHEREAS, Owner has entered into an agreement with Real Estate Investment Network, LLC, ("REIN") and assigned all of Owner's right, title and interest in and to the Surplus Funds, if any, following either a judicial foreclosure sheriff's sale (RCW 61.12.150) or a non-judicial foreclosure trustee's sale (RCW 61.24.080(3)) of the Property.

WHEREAS, the Parties' Agreement authorizes the recording of a Memorandum of Assignment to impart constructive notice of the Owner's assignment of the Owner's rights to the Surplus Funds to REIN.

NOW, THEREFORE, for and in consideration of the Agreement between the Parties, the sufficiency of which is hereby acknowledged, the Parties state as follows:

NOTICE IS HEREBY GIVEN that Owner has assigned to REIN all of Owner's right title and interest to any Surplus Funds, resulting from either a judicial foreclosure sheriff's sale (RCW 61.12.150) or a non-judicial foreclosure trustee's sale (RCW 61.24.080(3)) of the Property legally described as follows:

SHIRE THE PLAT BLOCK: PLAT LOT: 7

TAX PARCEL No. 776020-0070

STREET ADDRESS: 509 1st AVE E, PACIFIC WA 98047

DATED this ____ day of _____, 2018

ASSIGNOR

Lynn M Friend:

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

Dated: _____
Notary Public in and for the State of Washington,

residing at: _____

Print Name _____

2

Instrument Number: 20180222001233 Document: D Rec: \$75.00 Page: 1 of 2
Excise Docs: 2915946 Selling Price: \$4,000.00 Tax Amount: \$10.00 Record Date: 2/22/2018 4:37 PM
Electronically Recorded King County, WA

AFTER RECORDING RETURN TO:

Jan 16th 2018

Real Estate Investment Network, LLC
1455 NW Irving St, Suite 200
Portland, OR 97209

SEND ALL TAX STATEMENTS TO:

Real Estate Investment Network, LLC
1455 NW Irving St, Suite 200
Portland, OR 97209

BARGAIN AND SALE DEED

Grantor(s) Name(s): Jeffrey Holter

Grantor(s) Place of Residence: 14807 Ashworth Ave N, Shoreline, WA 98133

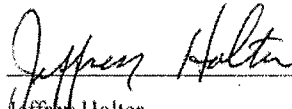
Grantee Name: Real Estate Investment Network, LLC, an Oregon Limited Liability Company,
And /or assigns

Legal description:
LOT 10, BLOCK 1, BARTONIA, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 37 OF
PLATS, PAGE 33, IN KING COUNTY, WASHINGTON.

The Grantor(s), for and in consideration of \$4,000.00 (Four Thousand Dollars and No Cents) in hand paid, bargains, sells, and conveys to Grantee the below described real estate, including but not limited to Grantor(s) rights and interests under RCW 61.12.150.

Commonly known as: 14807 Ashworth Ave N, Shoreline, WA 98133

Dated this 16th day of January, (20 18)


Jeffrey Holter

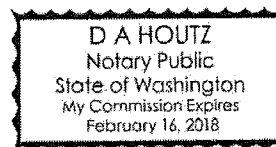
1-16-18
Date Signed

Instrument Number: 20180222001233 Document: D Rec: \$75.00 Page: 2 of 2
Record Date: 2/22/2018 4:37 PM King County, WA

State of WASHINGTON
County of PIDGEE

I certify that I know or have satisfactory evidence that Jeffrey HOUTER
(s) are the person(s) who appeared before me, and said person(s) acknowledged that
(he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary
act for the uses and purposes mentioned in the instrument.

[Signature]



Notary Public or the State of: WA
My Commission Expires: 02-16-18

Unofficial Copy

AFTER RECORDING RETURN TO:
Real Estate Investment Network, LLC
29 Hollinwood
Irvine, CA 92618

BARGAIN AND SALE DEED

Grantor(s) Name(s): Steven M. Marez, Personal Representative Estate of Joanne Coker Marez;
Grantor(s) Place of Residence: 2011 10th Street Unit-1, Bremerton WA 98337
Grantee(s) Name(s): Real Estate Investment Network LLC;
APN # 8041-013-101-00-05;

The Grantor(s), **Steven M. Marez**, Personal Representative of the Estate of Joanne Coker Marez, for and in consideration of **\$30,000.00**, hand paid, bargains, sells, and conveys to **Real Estate Investment Network LLC**, Grantee, the following described real estate, including but not limited to all Grantor(s) rights and interests including excess funds under RCW 61.12.150, situate in the County of Kitsap, state of Washington, including all after acquired title therein:

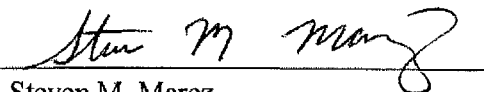
UNIT 101, BUILDING NO. 13, THE NARROWS, A CONDOMINIUM RECORDED IN VOLUME 3 OF CONDOMINIUMS, PAGES 9 THROUGH 19, INCLUSIVE, ACCORDING TO THE DECLARATION THEREOF, RECORDED UNDER AUDITOR'S FILE NO. 8108250068 AND ANY AMENDMENTS THERETO; SITUATE IN KITSAP COUNTY, WASHINGTON,

APN/PARCEL # **8041-013-101-00-05**

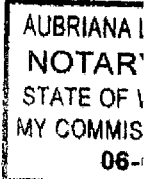
STREET ADDRESS: **3330 NARROWS VIEW LN NE UNIT 101, BREMERTON, WA 98310**

DATED this 21 day of February, 2018

ESTATE OF JOANNE COKER MAREZ



Steven M. Marez
Personal Representative



STATE OF WASHINGTON)
) ss.
COUNTY OF KITSAP)

I hereby certify that I know or have satisfactory evidence that **Steven M. Marez** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as the Personal Representative of the Estate of Joanne Coker Marez, Deceased, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: February 27, 2018 Aubriana Lynn Paulino
Notary Public in and for the State of Washington,
residing at: Paulsbo, WA Aubriana Lynn Paulino
Print Name
My appointment expires: 06/01/2021

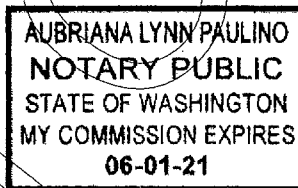


EXHIBIT B

April 12 2018 9:29 AM

KEVIN STOCK
COUNTY CLERK
NO: 18-2-06664-1

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF PIERCE

In Re Joseph Bowen.

Case No. 18-2-06664-1

MOTION FOR ORDER DISBURSING
SURPLUS FUNDS

I. RELIEF REQUESTED

COMES NOW REAL ESTATE INVESTMENT NETWORK, LLC, an Oregon limited liability company ("REIN"), as successor in interest to Joseph Bowen, the grantor and borrower, and as there are no junior lien holders to the deed of trust that was foreclosed, moves the Court for an order disbursing to REIN surplus funds pursuant to RCW 61.24.080.

II. FACTUAL BACKGROUND¹

A. The Surplus Funds

In this matter, the Trustee prosecuted a nonjudicial foreclosure action against that certain real property commonly known as 21709 128th St. E, Bonney Lake, WA, and legally described as follows:

¹ All factual allegations are based on the Declaration of Gregory Toussieng filed in support of this Motion.

1 LOT 24 OF TIFFANY EAST, ACCORDING TO PLAT RECORDED IN
2 BOOK 58 OF PLATS AT PAGE 58 AND 59, RECORDS OF PIERCE
3 COUNTY, WASHINGTON.
4 SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

5 APN: 908580-024-0.

6 (the "Property").

7 A nonjudicial foreclosure Trustee's sale was held on February 9, 2018.

8 A Notice of Deposit of Surplus Funds was filed by the Trustee with the court on March
9 26, 2018 depositing surplus funds in the amount of \$71,109.93.

10 **B. The Condition of Title**

11 REIN ordered a title report from Ticor Title Company. This title report with an effective
12 date of February 8, 2018, reflects that there are no junior liens to the deed of trust lien that the
13 Trustee foreclosed in this action. By virtue of that certain Bargain and Sale Deed dated February
14 11, 2018, REIN acquired the borrower/grantor's debtor's, Joseph Bowen's, right, title and interest in
15 the surplus funds.

16 **III. STATEMENT OF ISSUES**

17 1. Whether the court should enter an order disbursing surplus funds as provided for
18 herein.

19 **IV. EVIDENCE RELIED UPON**

- 20 1. Declaration of Gregory Toussieng;
21 2. The records and pleadings filed herein.

22 **V. DISCUSSION**

23 RCW 61.42.080 provides any surplus funds from a nonjudicial foreclosure Trustee's Sale
24 are to be disbursed to junior lienholders in order of priority and then to the property owner:
25

1 The surplus [trustee's sale proceeds], if any, less the clerk 's filing fee,
2 shall be deposited, together with written notice of the amount of the
3 surplus, a copy of the notice of trustee 's sale, and an affidavit of mailing
4 as provided in this subsection, with the clerk of the superior court of the
5 county in which the sale took place. The trustee shall mail copies of the
6 notice of the surplus, the notice of trustee's sale, and the affidavit of
7 mailing to each party to whom the notice of trustee's sale was sent
8 pursuant to RCW 61.24.040(1). The clerk shall index such funds under the
9 name of the grantor as set out in the recorded notice. Upon compliance
10 with this sub section, the trustee shall be discharged from all further
11 responsibilities for the surplus. Interests in, or liens or claims of liens
12 against the property eliminated by sale under this section shall attach to
13 the surplus in the order of priority that it had attached to the property. A
14 party seeking disbursement of the surplus funds shall file a motion
15 requesting disbursement in the superior court for the county in which the
16 surplus funds are deposited. Notice of the motion shall be personally
17 served upon, or mailed in the manner specified in RCW 61.24.040(1)(b),
18 to all parties to whom the trustee mailed notice of the surplus, and any
19 other party who has entered an appearance in the proceeding, not less than
20 twenty days prior to the hearing of the motion. The clerk shall not disburse
21 such surplus except upon order of the superior court of such county.

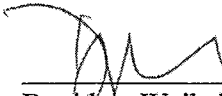
12 In this case, there are no junior lienholders to the deed of trust lien that the Trustee
13 foreclosed in this action. By virtue of the Bargain and Sale Deed dated February 11, 2018, REIN
14 as the successor in interest to the borrower/grantor, Joseph Bowen, is entitled to an order directing
15 the Clerk of the Court to disburse all remaining surplus proceeds to REIN.

16 VI. CONCLUSION

17 REIN respectfully request this court enter an order disbursing the surplus funds as
18 requested above. A proposed order accompanies this motion
19

20 DATED this 11 day of April, 2018.

21 TEMPLETON HORTON WEIBEL PLLC.

22 
23 David A. Weibel, WSBA #24031
24 Attorney for REIN
25

April 12 2018 9:29 AM

KEVIN STOCK
COUNTY CLERK
NO: 18-2-06664-1

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF PIERCE

In Re Joseph Bowen.

CASE NO. 18-2-06664-1

DECLARATION OF GREGORY TOUSSIENG
IN SUPPORT OF MOTION FOR ORDER
DISBURSING TRUSTEE'S SALE SURPLUS
FUNDS

GREGORY TOUSSIENG declares as follows:

1. I am over the age of 18 and make this declaration on the basis of my personal knowledge. I am a Member of REAL ESTATE INVESTMENT NETWORK, LLC, an Oregon limited liability company ("REIN"). I am familiar with REIN's business records and its record keeping practices and am duly authorized to make this declaration.

2. By virtue of that certain Bargain and Sale Deed dated February 11, 2018, REIN acquired the judgment debtors, Joseph Bowen's, right, title and interest in that certain real property commonly known as 21709 128th St. E, Bonney Lake, WA 98391 and legally described as follows:

LOT 24 OF TIFFANY EAST, ACCORDING TO PLAT RECORDED IN
BOOK 58 OF PLATS AT PAGE 58 AND 59, RECORDS OF PIERCE
COUNTY, WASHINGTON.
SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

APN: 908580-024-0.

(the "Property").

DECLARATION OF REIN LLC

1 Attached hereto as *Exhibit A* is a true and correct copy of the Bargain and Sale Deed.

2 3. In this matter, the Plaintiff commenced a nonjudicial foreclosure action against the
3 subject property. A nonjudicial foreclosure Trustee's sale was held on February 9, 2018.

4 4. A Notice of Deposit of Surplus Funds was filed by the Trustee with the court on
5 March 26, 2018 depositing surplus funds in the amount of \$71,109.93. See Notice of Deposit
6 attached hereto as *Exhibit B*.

7 5. REIN ordered a title report from Ticor Title Company. This title report with an
8 effective date of February 8, 2018, reflects that there are no junior liens to the deed of trust lien
9 that the Trustee foreclosed in this action. Attached hereto as *Exhibit C* is a true and correct copy
10 of the February 8, 2018, Ticor Title Company Title Report.

11 6. A Notice of Motion of REIN for Order Disbursing Trustee's Sale Surplus Funds
12 was filed with the court and served pursuant to RCW 61.24.080.

13 7. As there are no junior liens to the deed of trust lien that the Trustee foreclosed,
14 REIN as successor in interest to Joseph Bowen, is entitled to an order disbursing all surplus funds
15 held under this cause number.

16
17 *I declare under the penalty of perjury under the laws of the State of Washington that the
foregoing is true and correct.*

18 DATED this 10th day of April, 2018 signed in KIRKLAND, WA.

19
20
21 
GREGORY TOUSSIENG

22
23
24
25 DECLARATION OF REIN LLC

EXHIBIT A

AFTER RECORDING RETURN TO:

February 10, 2018

Real Estate Investment Network, LLC
29 Hollinwood
Irvine, CA 92618

SEND ALL TAX STATEMENTS TO:

Real Estate Investment Network, LLC
29 Hollinwood
Irvine, CA 92618

BARGAIN AND SALE DEED

Grantor(s) Name(s): Joseph Bowen

Grantor(s) Place of Residence: 21709 128TH STREET E, BONNEY LAKE WA 98391

Grantee(s) Name(s): Real Estate Investment Network LLC

The Grantor(s), for and in consideration of \$ 27,500. *ab*

in hand paid, bargains, sells, and conveys to Grantee the below described real estate, including but not limited to all Grantor(s) rights and interests including excess funds under RCW 61.12.150.

PROPERTY DESCRIPTION:

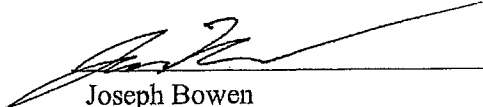
SECTION 11 TOWNSHIP 19 RANGE 05 QUARTER 33 TIFFANY EAST: TIFFANY EAST LOT 24 EASE OF RECORD SW OF SW

KING COUNTY, WASHINGTON

APN/PARCEL # 908580-024-0

STREET ADDRESS: 21709 128TH STREET E, BONNEY LAKE WA 98391

Dated this 11th day of February, (2018)


Joseph Bowen

2/11/18
Date Signed

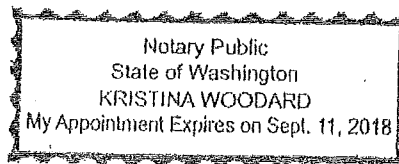
State of WA.

County of Pierce

I certify that I know or have satisfactory evidence that Joseph Bowen

Is ~~are~~ the person(s) who appeared before me, and said person(s) acknowledged that (he/~~she/they~~) signed this instrument and acknowledged it to be (his/~~her/their~~) free and voluntary act for the uses and purposes mentioned in the instrument.

Kristina Woodard



Notary Public or the State of: WASHINGTON

My Commission Expires: Sept. 11, 2018.

EXHIBIT B

FILED

PIERCE COUNTY SUPERIOR COURT
KEVIN STOCK
CLERK OF THE SUPERIOR COURT
TACOMA WA

FILED
IN COUNTY CLERK'S OFFICE

MAR 26 2018

18-2-06664-1

18-2-06664-1 51009854 NTDF 03-27-18

PIERCE COUNTY, WASHINGTON
KEVIN STOCK, County Clerk
BY _____ DEPUTY

Rcpt. Date Acct. Date Time
03/26/2018 03/26/2018 11:20 AM

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

Search Item # Tran-Code Docket-Code
2018-03-02976/01 1100 \$FFR

IN AND FOR THE COUNTY OF PIERCE

Cashier: MLR

Paid By: shapiro, and sutherland
Transaction Amount: \$240.00

In Re: Joseph Bowen

Cause No. 18 2 06664 1

DEPOSIT OF SURPLUS PROCEEDS
FROM TRUSTEE'S SALE

1.

Comes now, Aztec Foreclosure Corporation of, by and through its attorneys of record, the
law firm Shapiro & Sutherland, LLC, states as follows:

I. DEPOSIT OF SURPLUS PROCEEDS FROM TRUSTEE'S SALE

2.

Pursuant to RCW 61.24.080(3), Aztec Foreclosure Corporation of Washington,
successor trustee, deposits with the registry of the Superior Court of Pierce the sum of
\$71,109.93, being the surplus remaining upon the sale of certain property, held on February 9,

SHAPIRO & SUTHERLAND, LLC
1499 SE Tech Center Place, Suite 255, Vancouver, WA 98683
Telephone: (360)260-2253 (800)970-5647
Fax: (360)260-2285
ksutherland@logs.com

1-DEPOSIT OF SURPLUS FUNDS
S&S No: 18-122748

1 2018, described in the Notice of Trustee's Sale recorded under auditors number 201710040256,
2 attached hereto as Exhibit 1 (Property) and by this reference incorporated herein after the
3 reduction of the total surplus of \$71,936.44, by filing fee of \$240.00 and attorney fees and cost in
4 the sum of \$586.51.

5 **II. TRUSTEE'S SALE**

6 **3.**

7
8 The total indebtedness due Deutsche Bank National Trust Company, as Trustee of Vendee
9 Mortgage Trust 2011-1, the beneficiary under the Deed of Trust was \$128,884.36 which included
10 fees and costs of foreclosure, and the Property was purchased by Warren King for the amount of
11 \$202,500.00. Therefore, Deutsche Bank National Trust Company, as Trustee of Vendee
12 Mortgage Trust 2011-1 has no further claim nor interest in the surplus described above.

13 **III. POSSIBLE CLAIMANTS**

14 **4.**

15
16 It is believed that the following parties may have some claim, interest or right in and to
17 such surplus.

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25 SHAPIRO & SUTHERLAND, LLC
26 1499 SE Tech Center Place, Suite 255, Vancouver, WA 98683
27 Telephone: (360)260-2253 (800)970-5647
28 Fax: (360)260-2285
ksutherland@logs.com

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- 1 Joseph Bowen
- 2 21709 128th St
- 3 Bonney Lake, WA 98391
- 4
- 5 Spouse of Joseph Bowen
- 6 21709 128th St
- 7 Bonney Lake, WA 98391
- 8
- 9 Joseph Bowen
- 10 19007 105TH STREET CT E
- 11 Bonney Lake, WA 98391
- 12
- 13 Spouse of Joseph Bowen
- 14 19007 105TH STREET CT E
- 15 Bonney Lake, WA 98391
- 16
- 17 Joseph Bowen
- 18 3710 A ST SE TRLR 15
- 19 Auburn, WA 98002
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- 21 Spouse of Joseph Bowen
- 22 3710 A ST SE TRLR 15
- 23 Auburn, WA 98002
- 24
- 25 Joseph F Bowen
- 26 21709 128th St E
- 27 Bonney Lake, WA 98391
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- 29 Spouse of Joseph F Bowen
- 30 21709 128th St E
- 31 Bonney Lake, WA 98391
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- 33 Joseph F Bowen
- 34 PO Box 214
- 35 Calico Rock, AR 72519
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SHAPIRO & SUTHERLAND, LLC
1499 SE Tech Center Place, Suite 255, Vancouver, WA 98683
Telephone: (360)260-2253 (800)970-5647
Fax: (360)260-2285
ksutherland@logs.com

3-DEPOSIT OF SURPLUS FUNDS
S&S No: 18-122748

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- 1 Spouse of Joseph F Bowen
- 2 PO Box 214
- 3 Calico Rock, AR 72519
- 4 Joseph F Bowen
- 5 7209 S 120th Street
- 6 Seattle, WA 98178
- 7 Spouse of Joseph F Bowen
- 8 7209 S 120th Street
- 9 Seattle, WA 98178
- 10 Spouse of Joseph F Bowen
- 11 2219 D Street SE
- 12 Apt B
- 13 Auburn, WA 98002
- 14 Joseph F Bowen
- 15 2219 D Street SE
- 16 Apt B
- 17 Auburn, WA 98002
- 18 Spouse of Joseph F Bowen
- 19 3030 M Street
- 20 Apt 11
- 21 Auburn, WA 98002
- 22 Joseph F Bowen
- 23 3030 M Street
- 24 Apt 11
- 25 Auburn, WA 98002
- 26 JOSEPH BOWEN
- 27 C/O P. DCSANTIS, ESQUIRE LAW'S
- 28 SPECIALTY GROUP, INC
- 235 WEST BRANDON BLVD., #191
- Brandon, FL 33511
- 4-DEPOSIT OF SURPLUS FUNDS
- S&S No: 18-122748

SHAPIRO & SUTHERLAND, LLC
1499 SE Tech Center Place, Suite 255, Vancouver, WA 98683
Telephone: (360)260-2253 (800)970-5647
Fax: (360)260-2285
ksutherland@logs.com

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3/28/2018

1 STATE OF WASHINGTON
2 C/O MARK A. SANCHEZ PIERCE
3 COUNTY PROSECUTOR
4 930 TACOMA AVE S RM 946
5 Tacoma, WA 98402

6 Real Estate Investment Network LLC
7 David A. Weibel
8 Templeton Horton Weibel PLLC
9 3212 NW Byron Street, Suite 104
10 Silverdale, Washington 98383

11 The Interest of the above entity or other persons should be determined by the Court
12 according to the validity and priority of their claims.

13 5.

14 Upon making the above deposit mentioned deposit, the trustee and Deutsche Bank
15 National Trust Company, as Trustee of Vendee Mortgage Trust 2011-1 have no further interests
16 or obligations and are hereby by law exonerated pursuant to RCW 61.24.030(3).

17 Dated this 23rd day of March, 2018.

18 Attorneys for Aztec Foreclosure Corporation of Washington
19 Shapiro & Sutherland, LLC

20 By: 

21 ☐ James A. Craft WSBA#47763 [jcraft@logs.com]
22 ☒ Kelly D. Sutherland WSBA#21889 [ksutherland@logs.com]
23 ☐ Cara J. Richter WSBA#47723 [crichter@logs.com]
24 1499 SE Tech Center Place, Suite 255, Vancouver, WA 98683
25 7632 SW Durham Road, Suite 350, Tigard, OR 97224*
26 (360)260-2253; Fax (360)260-2285

27 SHAPIRO & SUTHERLAND, LLC
28 1499 SE Tech Center Place, Suite 255, Vancouver, WA 98683
Telephone: (360)260-2253 (800)970-5647
Fax: (360)260-2285
ksutherland@logs.com

201710040256

Electronically Recorded

Pierce County, WA EWILLIA

10/04/2017 10:56 AM

Pages: 7 Fee: \$80.00

AFTER RECORDING RETURN TO:

Aztec Foreclosure Corporation of Washington
1499 SE Tech Center Place, Suite 255
Vancouver, WA 98683
(360) 253-8017 / (877) 430-4787

NOTICE OF TRUSTEE'S SALE

File No.:17-120725 Title Order No.:8710097

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee, AZTEC FORECLOSURE CORPORATION OF WASHINGTON will on **February 9, 2018, at the hour of 10:00 am** At the Second Floor Entry Plaza Outside Pierce County Courthouse, 930 Tacoma Ave South, Tacoma, WA, State of Washington, sell at public auction to the highest and best bidder, payable at time of sale, the following described real property, situated in the County of Pierce, State of Washington, to-wit:

LOT 24 OF TIFFANY EAST, ACCORDING TO PLAT RECORDED IN BOOK 58 OF PLATS AT PAGES 58 AND 59, RECORDS OF PIERCE COUNTY, WASHINGTON. SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

Abbrev. Legal: LOT 24, TIFFANY EAST, BK. 58, PGS. 58-59
Tax Parcel No.: 908580-0240
Commonly known as: 21709 E 128th St, Bonney Lake, WA 98391

which is the subject of that certain Deed of Trust dated October 20, 2010, recorded October 21, 2010, under Auditor's File No. 201010210571, records of Pierce County, Washington, from Joseph F. Bowen, an unmarried man as Grantor, to Recontrust Company, N.A. as Trustee, to secure an obligation in favor of Secretary of Veterans Affairs, an officer of the United States of America as Beneficiary, which as assigned by Secretary of Veterans Affairs to Deutsche Bank National Trust Company, as Trustee for Vendee Mortgage Trust 2011-1 under an assignment recorded at Instrument No. 201110250014.

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II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

III.

The Default(s) for which this foreclosure is made is/are as follows:

Failure to pay when due the following amounts which are now in arrears:

Monthly payments in the amount(s) of \$1,024.10 from March 1, 2017 through October 1, 2017 together with all fees, costs and or disbursements incurred or paid by the beneficiary and or trustee, their employees, agents or assigns. The Trustee's fees and costs are estimated at \$2,408.33 as of October 3, 2017. The amount to cure the default payments as of the date of this notice is \$10,910.93. Payments and late charges may continue to accrue and additional advances to your loan may be made. It is necessary to contact the beneficiary or Trustee prior to the time you tender the reinstatement amount so that you may be advised of the exact amount you would be required to pay.

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal Balance \$118,834.74, together with interest in the Note or other instrument secured from February 1, 2017, and such other costs and fees as are due under the Note or other instrument secured, and as are provided by statute. The amount necessary to pay off the entire obligation secured by your Deed of Trust as the date of this notice is \$124,742.41. Interest and late charges may continue to accrue and additional advances to your loan may be made. It is necessary to contact the beneficiary or Trustee prior to the time you tender the payoff amount so that you may be advised of the exact amount you would be required to pay.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty express or implied regarding title, possession, or encumbrances on February 9, 2018. The default(s) referred to in paragraph III, together with any subsequent payments, late charges, advances, costs and fees thereafter due, must be cured by January 29, 2018 (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before January 29, 2018 (11 days before the sale date), the default(s) as set forth in paragraph III, together with any subsequent payments, late charges, advances, costs and fees thereafter due, is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after January 29, 2018 (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor or the holder of any recorded junior lien

or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

Joseph Bowen 21709 128th St Bonney Lake, WA 98391	Joseph F Bowen 21709 128th St E Bonney Lake, WA 98391	Spouse of Joseph F Bowen 2219 D Street SE Apt B Auburn, WA 98002
Spouse of Joseph Bowen 21709 128th St Bonney Lake, WA 98391	Spouse of Joseph F Bowen 21709 128th St E Bonney Lake, WA 98391	Joseph F Bowen 2219 D Street SE Apt B Auburn, WA 98002
Joseph Bowen 19007 105TH STREET CT E Bonney Lake, WA 98391	Joseph F Bowen PO Box 214 Calico Rock, AR 72519	Spouse of Joseph F Bowen 3030 M Street Apt 11 Auburn, WA 98002
Spouse of Joseph Bowen 19007 105TH STREET CT E Bonney Lake, WA 98391	Spouse of Joseph F Bowen PO Box 214 Calico Rock, AR 72519	Joseph F Bowen 3030 M Street Apt 11 Auburn, WA 98002
Joseph Bowen 3710 A ST SE TRLR 15 Auburn, WA 98002	Joseph F Bowen 7209 S 120th Street Seattle, WA 98178	JOSEPH BOWEN C/O P. DCSANTIS, ESQUIRE LAW'S SPECIALTY GROUP, INC 235 WEST BRANDON BLVD., #191 Brandon, FL 33511
Spouse of Joseph Bowen 3710 A ST SE TRLR 15 Auburn, WA 98002	Spouse of Joseph F Bowen 7209 S 120th Street Seattle, WA 98178	

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by both first class and certified mail on August 24, 2017 proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on August 24, 2017 with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

VII.

The Trustee whose name and address are set forth above, and whose telephone number is (360) 253-8017 / (877) 430-4787 will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having an objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

X.

NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants, who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under Chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.60.

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XI.

THIS NOTICE IS THE FINAL STEP BEFORE THE FORECLOSURE SALE OF YOUR HOME.

You have only 20 DAYS from the recording date on this notice to pursue mediation.

DO NOT DELAY. CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you are eligible and it may help you save your home. See below for safe sources of help.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission: Telephone (Toll-free): 1-877-894-HOME (1-877-894-4663) or Web site:
http://www.dfi.wa.gov/consumers/homeownership/post_purchase_counselors_foreclosure.htm.

The United States Department of Housing and Urban Development: Telephone (Toll-free): 1-800-569-4287 or National Web site:
<http://www.hud.gov/offices/hsg/sfh/hcc/fo/index.cfm?webListAction=search&searchstate=WA&filterSvc=dfc>.

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys: Telephone (Toll-Free): 1-800-606-4819 or Web site: <http://nwjustice.org/what-clear>

XII.

A list of the persons this Notice was sent to is attached hereto as exhibit "A".

XIII.

FAIR DEBT COLLECTION PRACTICES ACT NOTICE: AZTEC FORECLOSURE CORPORATION OF WASHINGTON is attempting to collect a debt and any information obtained will be used for that purpose. If a discharge has been obtained by any party through

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bankruptcy proceedings, this shall not be construed to be an attempt to collect the outstanding indebtedness or to hold you personally liable for the debt.

DATED this 3rd day of October, 2017

AZTEC FORECLOSURE
CORPORATION OF WASHINGTON

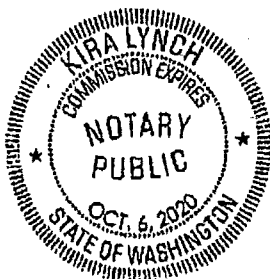
By: Inna D. Zagariya
Inna D. Zagariya
Vice President
1499 SE Tech Center Place, Suite 255
Vancouver, WA 98683
(360) 253-8017 / (877) 430-4787

ADDRESS FOR PERSONAL SERVICE

Aztec Foreclosure Corporation of Washington
1499 SE Tech Center Place, Suite 255
Vancouver, WA 98683

STATE OF WASHINGTON)
) SS.
COUNTY OF CLARK)

This instrument was acknowledged before me this 3 day of October, 2017, by
Inna D. Zagariya, Vice President.



Kira Lynch
Notary Public in and
for the State of Washington

My Commission Expires: 10/6/2020

EXHIBIT "A"

Joseph Bowen
21709 128th St
Bonney Lake, WA 98391

Spouse of Joseph Bowen
21709 128th St
Bonney Lake, WA 98391

Joseph Bowen
19007 105TH STREET CT E
Bonney Lake, WA 98391

Spouse of Joseph Bowen
19007 105TH STREET CT E
Bonney Lake, WA 98391

Joseph Bowen
3710 A ST SE TRLR 15
Auburn, WA 98002

Spouse of Joseph Bowen
3710 A ST SE TRLR 15
Auburn, WA 98002

Joseph F Bowen
21709 128th St E
Bonney Lake, WA 98391

Spouse of Joseph F Bowen
21709 128th St E
Bonney Lake, WA 98391

Joseph F Bowen
PO Box 214
Calico Rock, AR 72519

Spouse of Joseph F Bowen
PO Box 214
Calico Rock, AR 72519

Occupant(s)
21709 E 128th St
Bonney Lake, WA 98391

Joseph F Bowen
7209 S 120th Street
Seattle, WA 98178

Spouse of Joseph F Bowen
7209 S 120th Street
Seattle, WA 98178

Spouse of Joseph F Bowen
2219 D Street SE
Apt B
Auburn, WA 98002

Joseph F Bowen
2219 D Street SE
Apt B
Auburn, WA 98002

Spouse of Joseph F Bowen
3030 M Street
Apt 11
Auburn, WA 98002

Joseph F Bowen
3030 M Street
Apt 11
Auburn, WA 98002

JOSEPH BOWEN
C/O P. DCSANTIS, ESQUIRE LAW'S
SPECIALTY GROUP, INC
235 WEST BRANDON BLVD., #191
Brandon, FL 33511

STATE OF WASHINGTON
C/O MARK A. SANCHEZ PIERCE COUNTY
PROSECUTOR
930 TACOMA AVE S RM 946
Tacoma, WA 98402

EXHIBIT C

SUBDIVISION

Issued By: COMMONWEALTH LAND TITLE INSURANCE COMPANY
by its agent:



Guarantee/Certificate Number:

70089408

COMMONWEALTH LAND TITLE INSURANCE COMPANY, a corporation, herein called the Company,

GUARANTEES

Joseph Bowen

herein called the Assured, against actual loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

LIABILITY EXCLUSIONS AND LIMITATIONS

1. No guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule A or with respect to the validity, legal effect or priority of any matter shown therein.
2. The Company's liability hereunder shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurance herein set forth, but in no event shall the Company's liability exceed the liability amount set forth in Schedule A.

Please note carefully the liability exclusions and limitations and the specific assurances afforded by this guarantee. If you wish additional liability, or assurances other than as contained herein, please contact the Company for further information as to the availability and cost.

Ticor Title Company
1505 Westlake Ave N, Ste 150
Seattle, WA 98109

Countersigned By:

A handwritten signature in black ink, appearing to read 'M. J. [unclear]', positioned above a horizontal line.

Authorized Officer or Agent



Commonwealth Land Title Insurance
Company

By:

A handwritten signature in black ink, appearing to read 'B. M. [unclear]', positioned above a horizontal line.

President

Attest:

A handwritten signature in black ink, appearing to read 'L. [unclear]', positioned above a horizontal line.

Secretary

**COMMONWEALTH LAND TITLE INSURANCE
COMPANY**

GUARANTEE/CERTIFICATE NO. 70089408

ISSUING OFFICE:	
Title Officer: Reid Vance Ticor Title Company 1505 Westlake Ave N, Ste 150 Seattle, WA 98109 Phone: 206-393-0921 Fax: 877-521-9938 Main Phone: (425)255-7472 Email: Reid.Vance@TicorTitle.com	

SCHEDULE A

Liability	Premium	Tax
\$1,000.00	\$350.00	\$35.35

Effective Date: February 8, 2018 at 08:00 AM

The assurances referred to on the face page are:

That, according to those public records which, under the recording laws, impart constructive notice of matter relative to the following described property:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

Title to said real property is vested in:

Joseph F. Bowen, as his separate estate

subject to the matters shown below under Exceptions, which Exceptions are not necessarily shown in the order of their priority.

END OF SCHEDULE A

EXHIBIT "A"
Legal Description

LOT 24 OF TIFFANY EAST, ACCORDING TO PLAT RECORDED IN BOOK 58 OF PLATS AT PAGE 58, RECORDS OF
PIERCE COUNTY, WASHINGTON;

SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

SCHEDULE B

GENERAL EXCEPTIONS:

H. Reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.

SPECIAL EXCEPTIONS:

1. Reservation of all coal, oil, gas and mineral rights, and rights to explore for the same contained in the deed

Grantor: Weyerhaeuser Timber Co., a Washington corporation
Recording Date: July 13, 1912
Recording No.: 364150

Said instrument is amended Pierce County under Recording No. 2137476.

2. Covenants, conditions, restrictions and easements but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: July 2, 1979
Recording No.: 2923208

Modification(s) of said covenants, conditions and restrictions

Recording Date: November 9, 1981
Recording No.: 8111090019

3. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, dedications, building setback lines, notes, statements, and other matters, if any, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth on the Plat of Tiffany East:

Recording No: Book 58 and Page 58

SCHEDULE B
(continued)

4. General and special taxes and charges, payable February 15, delinquent if first half unpaid on May 1, second half delinquent if unpaid on November 1 of the tax year (amounts do not include interest and penalties):

Year: 2018
Tax Account Number: 908580-0240
Levy Code: 688
Assessed Value-Land: \$86,900.00
Assessed Value-Improvements: \$147,800.00

General and Special Taxes: Billed: \$3,462.78
Paid: \$0.00
Unpaid: \$3,462.78

5. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$140,000.00
Dated: October 20, 2010
Trustor/Grantor: Joseph F. Bowen, an unmarried man
Trustee: Recontrust Company, N.A.
Beneficiary: Bank of America, on behalf of the Department of Veterans Affairs
Recording Date: October 21, 2010
Recording No.: 201010210571

6. A substitution of trustee under said deed of trust which names, as the substituted trustee, the following

Trustee: Aztec Foreclosure Corporation of Washington
Recording Date: August 22, 2017
Recording No.: 201708220053

7. A notice of trustee's sale under said deed of trust

Executed by: Aztec Foreclosure Corporation of Washington
Date and Place of Sale: February 9, 2018 Pierce County Courthouse
Recording Date: October 4, 2017
Recording No.: 201710040256

8. Right of any party interested to sue or petition to have set aside, modified or contest a judicial or non-judicial foreclosure or forfeiture, or any deed pursuant hereto, through which title to the Land is derived; and any liens, encumbrances and/or ownership interests which may exist as a result of any acts or omissions of the foreclosing parties, or as a result of such suit or petition.

Note: The Company may be willing to remove this exception upon a conveyance to a bona fide purchaser for fair market value. Please contact your title officer for further information.

NOTES:

SCHEDULE B
(continued)

Note: FOR INFORMATIONAL PURPOSES ONLY:

The following may be used as an abbreviated legal description on the documents to be recorded, per Amended RCW 65.04.045. Said abbreviated legal description is not a substitute for a complete legal description within the body of the document:

LT. 24, TIFFANY EAST
Tax Account No.: 908580-0240

Note: The Public Records indicate that the address of the improvement located on said Land is as follows:

21709 128th Street East
Bonney Lake, WA 98391

END OF SCHEDULE B

EXHIBIT C

FILED

18 MAR 27 AM 10:48

KING COUNTY
SUPERIOR COURT CLERK
E-FILED

CASE NUMBER: 14-2-28052-1 SEA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

ONEWEST BANK N.A., its successors in
interest and/or assigns

Plaintiff,

vs.

UNKNOWN HEIRS AND DEVISEES OF
ARNE G. HOLTER; UNKNOWN HEIRS
AND DEVISEES OF J. LYLE VAN METER
AKA LYLE J. VAN METER; JEFFREY A.
HOLTER; SANDRA J. KIEFFER; JERI L.
HUDDLESTON; CHERYL K. MCLAIN;
UNITED STATES OF AMERICA; STATE
OF WASHINGTON; OCCUPANTS OF THE
PREMISES; and any person or parties
claiming to have any right, title, estate, lien or
interest in the real property described in the
complaint,

Defendants.

Case No. 14-2-28052-1 SEA

MOTION OF REAL ESTATE
INVESTMENT NETWORK, LLC FOR
ORDER DISBURSING SURPLUS
FUNDS

I. RELIEF REQUESTED

COMES NOW REAL ESTATE INVESTMENT NETWORK, LLC, an Oregon limited
liability company ("REIN"), and as successor in interest to defendants JEFFREY A. HOLTER,

MOTION OF REAL ESTATE INVESTMENT NETWORK, LLC FOR
ORDER DISBURSING SURPLUS FUNDS

TEMPLETON HORTON WEIBEL PLLC
3212 NW Byron Street, Suite 104
Silverdale, WA 98383
Telephone (360)692-6415 ♦ Fax (360)692-1257
www.thwpllc.com

1 SANDRA J. KIEFFER, JERI L. HUDDLESTON, CHERYL K. MCLAIN, and move the Court
2 for an order disbursing to REIN the net surplus funds pursuant to RCW 61.12.150.

3 II. FACTUAL BACKGROUND¹

4 A. The Surplus Funds

5 In this matter, the Plaintiff commenced a judicial foreclosure action filed on October 14,
6 2014, against the defendants seeking a judgment and order to sale to judicially foreclose a July 26,
7 2005, deed of trust encumbering that certain real property commonly known as 14807 Ashworth
8 Avenue North, Shoreline, WA, and legally described as follows:

9 LOT 10, BLOCK 1, BARTONIA, ACCORDING TO THE PLAT
10 THEREOF RECORDED IN VOLUME 37 OF PLATS, PAGE 33, IN
11 KING COUNTY, WASHINGTON.

12 Parcel # 005810-0050-03.

13 On November 7, 2014, a Disclaimer of Interest and Order of Dismissal of Jeffrey A.
14 Holter was entered by the court.

15 On November 12, 2014, a Disclaimer of Interest and Order of Dismissal of Sandra J.
16 Kieffer was entered by the court.

17 On November 24, 2014, a Disclaimer of Interest and Order of Dismissal of Cheryl K.
18 Mclain was entered by the court.

19 On December 9, 2014, a Disclaimer of Interest and Order of Dismissal of Jeri L.
20 Huddleson was entered by the court.

21
22
23 ¹ All factual allegations are based on the Declaration of Gregory Toussieng filed in support of this Motion.
24
25

1 While each of the above defendants disclaimed an interest in the real property being
2 foreclosed they did not disclaim or release any right, title or interest they had in any surplus
3 funds following the Sheriff's sale.

4 On July 27, 2014, Judgment for the Plaintiff was entered in this matter, in the principal
5 amount of \$268,177.63. The Judgment and Decree of Foreclosure was entered in rem and
6 against the defendants Unknown Heirs and Devisees of Arne G. Holter; United States of
7 America; State of Washington, and Occupants of the Premises.

8 The Order of Sale was issued on December 7, 2017.

9 The Sheriff's Levy was recorded on December 22, 2017.

10 The Sheriff's Sale was held on February 16, 2018, and the Plaintiff made a credit bid of
11 \$309,045.00. At auction, the property sold to BRECKENRIDGE PROPERTY FUND 2016,
12 LLC for the successful bid amount of \$486,000.00. The total debt owed to plaintiff at that time
13 was \$351,938.77.

14 After applying the proceeds from the sale to the judgment, interest and costs the Sheriff
15 reported an overage from the sale in the amount of \$134,061.23.

16 **B. The Condition of Title**

17 Tigor Title Company prepared an ALTA Commitment for Title Insurance dated March 1,
18 2018, for REIN. This title report reflects that there are no junior to the deed of trust lien that the
19 Plaintiff foreclosed in this action.

20 By virtue of that certain Bargain and Sale Deed dated January 5, 2018, REIN acquired all
21 the judgment debtors, Jerry S. Ferguson and Steven M. Ferguson, right, title and interest in the
22 Property.
23

24 **III. STATEMENT OF ISSUES**

1 1. Whether the court should enter an order disbursing surplus funds as provided for
2 herein.

3 IV. EVIDENCE RELIED UPON

- 4 1. Declaration of Gregory Toussieng;
5 2. The records and pleadings filed herein.

6 V. DISCUSSION

7 RCW 61.12.150 provides any surplus funds from a judicial foreclosure Sheriff's Sale are
8 to be disbursed to junior lienholders in order of priority:

9 "If the mortgaged premises cannot be sold in parcels, the court shall order
10 the whole to be sold, and the proceeds of the sale shall be applied first to
11 the payment of the principal due, interest and costs, and then to the residue
12 secured by the mortgage and not due; and if the residue does not bear
13 interest, a deduction shall be made therefrom by discounting the legal
14 interest. In all cases where the proceeds of the sale are more than sufficient
15 to pay the amount due and costs, the surplus shall be applied to all
16 interests in, or liens or claims of liens against, the property eliminated by
17 sale under this section in the order of priority that the interest, lien, or
18 claim attached to the property. Any remaining surplus shall be paid to the
19 mortgage debtor, his or her heirs and assigns."

20 RCW 61.12.150 (emphasis added); *see also Worden v. Smith*, 178 Wn. App. 309, 320, 314 P.3d
21 1125, 1131 (2013).

22 In *Worden v. Smith*, the court noted parties have had little experience with distributing
23 surplus proceeds under the current statute because surplus proceeds rarely remain after the
24 foreclosing party's judgment and costs associated with the sale have been satisfied. *Id.* (citing 18
25 William B. Stoebe & John W. Weaver, WASHINGTON PRACTICE: REAL ESTATE:
TRANSACTIONS § 19.13 (Supp.2013). And when surplus funds were available there was
confusion in the past as to how the surplus should be distributed under the former version of the

1 statute. But in 2009, the legislature amended the statute to clarify the way in which the surplus
2 should be distributed by adding the following underlined language:

3 In all cases where the proceeds of the sale ~~shall be~~ are more than
4 sufficient to pay the amount due and costs, the surplus shall be
5 applied to all interests in, or liens or claims of liens against, the
6 property eliminated by sale under this section in the order of
7 priority that the interest, lien, or claim attached to the property.
8 Any remaining surplus shall be paid to the mortgage debtor, his or
9 her heirs and assigns.

10 2009 Wash. Legis. Serv. Ch. 122 (H.B. 1826) (WEST).

11 In this case, there are no junior lienholders to the deed of trust lien that the Plaintiff
12 foreclosed in this action. Given these facts, there is no uncertainty and the "remaining surplus
13 shall be paid to the mortgage debtor, his or her heirs and assigns." RCW 61.12.150. By virtue of
14 the Bargain and Sale Deed dated January 5, 2018, REIN is the assignee of the judgment debtors,
15 Jerry S. Ferguson and Steven M. Ferguson and entitled to an order directing the Clerk of the Court
16 to disburse all remaining surplus proceeds to REIN.

17 VI. CONCLUSION

18 REIN respectfully request this court enter an order disbursing the surplus funds as
19 requested above.

20 DATED this 22 day of March, 2018.

21 TEMPLETON HORTON WEIBEL PLLC.

22 

23 David A. Weibel, WSBA #24031
24 Attorney for Plaintiff

1
2
3
4
5
6
7 IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
8 IN AND FOR THE COUNTY OF KING

9 ONEWEST BANK N.A., its successors in
10 interest and/or assigns,

11 Plaintiff,

12 vs.

13 UNKNOWN HEIRS AND DEVISEES OF
14 ARNE G. HOLTER; UNKNOWN HEIRS
15 AND DEVISEES OF J. LYLE VAN METER
16 AKA LYLE J. VAN METER; JEFFREY A.
17 HOLTER; SANDRA J. KIEFFER; JERI L.
18 HUDDLESTON; CHERYL K. MCLAIN;
19 UNITED STATES OF AMERICA; STATE OF
20 WASHINGTON; OCCUPANTS OF THE
21 PREMISES; and any person or parties claiming
22 to have any right, title, estate, lien or interest in
23 the real property described in the complaint,

24 Defendants.

No. 14-2-28052-1 SEA

DECLARATION OF JEFFREY
HOLTER

I, Jeffrey Holter, declare as follows:

1. I am over the age of 18 and competent to testify. I make this declaration based on my own personal knowledge of the facts contained herein.
2. My late father, Arne G. Holter, was the record owner of the property located at 14807

DECLARATION OF JEFFREY HOLTER - 1

Northwest Justice Project
401 Second Ave S. Suite 407
Seattle, WA 98104
Tel. (206) 464-1519 Fax (206) 838-1190

1 Ashworth Ave. N., Shoreline, WA 98133 ("the Property").

2 3. Arne G. Holter passed away on April 24, 2014. My father's will left the property to me
3 and my three sisters, Sandra Kieffer, Jeri Huddleston, Cheryl McLain.

4 4. A copy of my late father's will is attached as Exhibit A.

5 5. In January 2018, William ("Billy") Gastineau of Real Estate Investment Network
6 ("REIN") came to my house in Buckley, Washington.

7 6. Billy Gastineau told me that he could represent me and my siblings regarding the
8 upcoming foreclosure of our late father's home.

9 7. On January 16, 2018, Billy Gastineau came back to my home with a copy of a Bargain
10 and Sale Deed. We drove into Bonney Lake and I executed the Bargain and Sale Deed and
11 it was notarized. Billy Gastineau paid the fee to have the Bargain and Sale Deed
12 notarized.

13 8. A copy of the Bargain and Sale Deed is attached as Exhibit B.

14 9. On January 16, 2018, Billy Gastineau provided me with a check in the amount of \$4,000.

15 10. On January 19, 2018, Billy Gastineau came back to my house and I gave him back the
16 check for \$4,000 and the copy of the notarized Bargain and Sale Deed.

17 11. At this time, I have not received any money or other benefit from Billy Gastineau or
18 REIN.

19 12. The Property was foreclosed on February 16, 2018. The amount owed on the property
20 was \$351,938.77, and the highest bid was \$486,000, resulting in surplus funds of
21 \$134,061.23.

22 13. A copy of the Sheriff's Notice is attached as Exhibit C.

23 14. Billy Gastineau called me the next day on Saturday, February 17, 2018, and explained that
24

1 he could still get me and my sisters some money from the sale of the Property.

2 15. Billy Gastineau called me again on Monday, February 19, 2018, and we discussed the
3 documents that my sisters and I needed to sign.

4 16. In these conversations, Billy Gastineau told me there were surplus funds available, but he
5 did not tell me the amount of the surplus funds. Billy Gastineau said we have to act
6 quickly and that I needed to have my sisters sign documents with REIN by the following
7 Friday.

8 17. On March 20, 2018, Billy Gastineau came back to my house and brought a contract for
9 REIN to provide assistance to recover the surplus funds. I signed the contract on March
10 20, 2018.

11 18. A copy of the contract I signed with REIN is attached as Exhibit D. This copy is not
12 signed, but it is identical to the copy I signed on March 20, 2018.

13 19. The contract called for REIN to pay me \$14,000 once the surplus funds were recovered.

14 20. My sisters each executed a contract with REIN that called for each of them to receive a
15 payment from REIN of \$10,000 once the surplus funds were recovered.

16 21. The contracts my sisters and I signed called for REIN to pay my sisters and me a total of
17 \$44,000 of the \$134,061.23 in surplus funds. This split would provide REIN with
18 \$90,061.23 of the surplus funds.

19 22. I do not think it is fair for REIN to get more than \$90,000 in the surplus funds.

20 23. I am asking this Court to deny REIN's motion to release the surplus funds.

21
22 I declare under penalty of perjury of the laws of the State of Washington that this declaration is
23 true and correct.

24 DECLARATION OF JEFFREY HOLTER - 3

Northwest Justice Project
401 Second Ave S, Suite 407
Seattle, WA 98104
Tel. (206) 464-1519 Fax (206) 838-1190

1 Dated this 25 day of April, 2018.

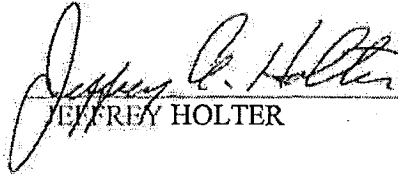
2 
JEFFREY HOLTER

EXHIBIT A

LAST WILL AND TESTAMENT

BE IT KNOWN, that I, ARVE Gudbrand HOLTER / JANE CAROLYN HOLTER of
14807 Ashworth Ave DO SHORELINE, WA 98133 County of KING
in the State of WASH. 98133 being of sound mind, do make and declare this to
be my Last Will and Testament expressly revoking all my prior Wills and Codicils at any time made.

I. PERSONAL REPRESENTATIVE:

I appoint ARVE AND OR JANE HOLTER of SHORELINE WA 98133
as Personal Representative of this my Last Will and Testament and provide if this Personal
Representative is unable or unwilling to serve then I appoint JEFFREY A. HOLTER of
38013 SPANER / CREEK HWY DO SHORELINE WA 98133 as alternate Personal Representative. My
Personal Representative shall be authorized to carry out all provisions of this Will and pay my just debts, obligations
and funeral expenses. I further provide my Personal Representative shall not be required to post surety bond in this
or any other jurisdiction, and direct that no expert appraisal be made of my estate unless required by law.

II. GUARDIAN:

In the event I shall die as the sole parent of minor children, then I appoint
as Guardian of said minor children. If this named Guardian is
unable or unwilling to serve, then I appoint
as alternate Guardian.

III. BEQUESTS:

I direct that after payment of all my just debts, my property be bequeathed in the manner following:

All Our Property shall be Divided
Equal Between Our Children Listed Below.

<u>Jeri Paplow</u>	<u>Daughter</u>
<u>Jeffrey Holter</u>	<u>Son</u>
<u>Cheryl McLean</u>	<u>Daughter</u>
<u>Sandra Hieffer</u>	<u>Daughter</u>

Testator Initials

Execute and attest before a notary. Caution: Louisiana residents should
consult an attorney before preparing a will. (Rev. 6/98)



0 53926 20028 3

© 1997 Legal Forms. Before you use this form, read it all in all blanks, and make whatever changes are necessary to your particular
transaction. Consult a lawyer if you doubt the form's fitness for your purpose and use. © 1997 Legal Forms and the retailer make no
representation in warranty, express or implied, with respect to the merchantability of this form for an intended use or purpose.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of May, 1999.
(year), to this my Last Will and Testament.

Arne G. Holter

June C. Holter
Testator Signature

IV. WITNESSED:

The testator has signed this will at the end and on each other separate page, and has declared or signified in our presence that it is his/her last will and testament, and in the presence of the testator and each other we have hereunto subscribed our names this _____ day of _____, (year).

Donna L. Brown
Witness Signature

5202 N.E. 187th St
LAKE FOREST PARK WA 98155
Address

Helen N. Morgan
Witness Signature

4419 - 133rd Ave SE
SUDBURY, WA 98296
Address

Witness Signature

Address

State of WA
County of Snohomish
We, Arne G. Holter
Donna L. Brown, and June C. Holter
Helen N. Morgan

the testator and the witnesses, respectively, whose names are signed to the attached and foregoing instrument, were sworn and declared to the undersigned that the testator signed the instrument as his/her Last Will and that each of the witnesses, in the presence of the testator and each other, signed the will as a witness.

Testator: Arne G. Holter
June C. Holter

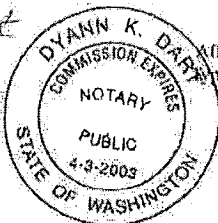
Witness Donna L. Brown

Witness Helen N. Morgan

Witness _____

On May 12th, 1999, before me, Dyann K. Dart,
appeared Arne G. Holter, June C. Holter, Donna L. Brown, Helen N. Morgan
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.
WITNESS my hand and official seal.

Signature Dyann K. Dart
Signature of Notary



Affiant _____ Known X Produced ID
Type of ID WSDL
(Seal)

HOLTER AGG 79 PS
HOLTER 7115Z

EXHIBIT B

AFTER RECORDING RETURN TO:

Jan 16th 2018

Real Estate Investment Network, LLC
1455 NW Irving St, Suite 200
Portland, OR 97209

SEND ALL TAX STATEMENTS TO:

Real Estate Investment Network, LLC
1455 NW Irving St, Suite 200
Portland, OR 97209

BARGAIN AND SALE DEED

Grantor(s) Name(s): Jeffrey Holter

Grantor(s) Place of Residence: 14807 Ashworth Ave N, Shoreline, WA 98133

Grantee Name: Real Estate Investment Network, LLC, an Oregon Limited Liability Company.
And /or assigns

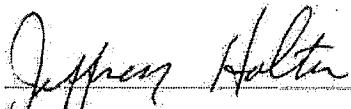
Legal description:

LOT 10, BLOCK 1, BARTONIA, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 37 OF
PLATS, PAGE 33, IN KING COUNTY, WASHINGTON.

The Grantor(s), for and in consideration of \$4,000.00 (Four Thousand Dollars and No Cents) in hand paid, bargains, sells, and conveys to Grantee the below described real estate, including but not limited to Grantor(s) rights and interests under RCW 61.12.150.

Commonly known as: 14807 Ashworth Ave N, Shoreline, WA 98133

Dated this 16th day of January, (20 18)


Jeffrey Holter

1-16-18
Date Signed

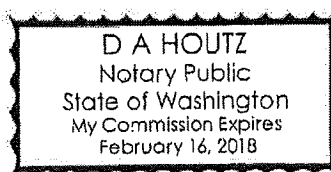
State of WASHINGTON

County of PIERCE

I certify that I know or have satisfactory evidence that Jeffrey HOUTER

(s) are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in the instrument.

[Signature]



Notary Public or the State of: WA

My Commission Expires: 02-16-18

EXHIBIT C

FILED

18 MAR 29 AM 11:25

KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA

SHERIFF
KING COUNTY

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR
KING COUNTY**

ONEWEST BANK N.A., ITS SUCCESSORS IN
INTEREST AND/OR ASSIGNS

Plaintiff

v.

UNKNOWN HEIRS AND DEVISEES OF ARNE G.
HOLTER, ET AL.

Defendants

**SHERIFF'S RETURN ON DEED TO
REAL PROPERTY**

Cause No.: 14-2-28052-1 SEA

I, Sheriff of King County, State of Washington, do hereby certify that at the request of the Purchaser, a Sheriff's Deed was issued. A copy of the Sheriff's Deed to Real Property is incorporated with this return along with the original recorded Certificate of Purchase of Real Estate.

Dated at King County, Washington this 28th day of March 2018.

KING COUNTY, WASHINGTON

By: 

Eva Cunio

Civil Unit Supervisor

King County Sheriff's Office, Civil Process Unit

516 3rd Ave Room W 150

Seattle, WA 98104



IN THE SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

ONEWEST BANK N.A., its successors in interest
and/or assigns,

Plaintiff(s),

vs.

UNKNOWN HEIRS AND DEVISEES OF ARNE G.
HOLTER, ET AL.,

Defendant(s).

Sheriff's Deed to Real Property

Cause No.: 14-2-28052-1 SEA

Judgment Rendered On: July 27, 2015
Order of Sale Issued: December 7, 2017
Date of Sale: February 22, 2018
Date of Deed: March 28, 2018

I, Sheriff of King County, State of Washington, do hereby certify that under and by virtue of the procedure indicated above, issued out of the above entitled court, in the above entitled action, duly attested, and directed and delivered to me, by which I was commanded to levy upon and sell the right, title and interest of the Defendant in property hereinafter described according to law, and apply the proceeds of such sale to the satisfaction of the judgment in said action, with interest and costs of suit, I duly levied and sold at public auction, after due and legal notice to: BRECKENRIDGE PROPERTY FUND 2016, LLC who was the highest and best bidder therefore, at such sale, for the sum of: Four Hundred Eighty-Six Thousand and 00/100 (\$486,000.00) Dollars, the real estate, situate in King County, State of Washington, bounded and described on the reverse side hereof, the description of which is incorporated by this reference. I thereupon delivered to said purchaser a certificate of sale as required by law, and the above entitled court in its order made and duly entered, has confirmed said sale.

NOW, therefor, I, Sheriff of King County, or my authorized Deputy, by virtue of the procedure indicated above and pursuant to the statutes relevant to such procedure, do hereby grant, bargain, sell, convey and confirm: BRECKENRIDGE PROPERTY FUND 2016, LLC, as the purchaser at said sale, or as his successor in interest, or as a redemptioner, so hereto entitled, and to his heirs, successors and assigns forever the real estate, the description of which is incorporated above, as fully as I can, may or ought to by virtue of the procedure indicated above, the orders of said Court, and the statutes of this State.

AS EVIDENCE of my so granting and conveying, I or my authorized Deputy hereby set my hand on the date indicated above, at Seattle, Washington.

King County Sheriff

By:

Hugo R. Esparza, Authorized Deputy

COPY

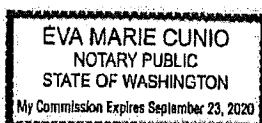
STATE OF WASHINGTON }

COUNTY OF KING }

SS.

On this day above written, before me personally appeared Hugo R. Esparza to me known to be the Sheriff of King County or his authorized deputy, who executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said Sheriff of King County, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

Subscribed and sworn to before me March 28, 2018



Notary Public in and for the State of
Washington residing at Seattle.

Eva Marie Cunio
Eva Marie Cunio

My appointment expires 9/23/20

SHERIFF'S DEED

**SHERIFF OF KING COUNTY,
STATE OF WASHINGTON**

TO:

**BRECKENRIDGE PROPERTY FUND
2016, LLC.**

DATED:

MARCH 28, 2018

LEGAL DESCRIPTION:

**LOT 10, BLOCK 1, BARTONIA, ACCORDING
TO THE PLAT THEREOF RECORDED IN
VOLUME 37 OF PLATS, PAGE 33, IN KING
COUNTY, WASHINGTON.**

PARCEL # 005810-0050-03

Return Address:

John McIntosh
Schwaet Lindealouian, PLLC
575 S. Michigan St.
Seattle, WA 98108



20180328000113

CERTIFICATE Rec: \$76.00
3/28/2018 10:08 AM
KING COUNTY, WA

Please print or type information **WASHINGTON STATE RECORDER'S Cover Sheet** (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

1. Certificate of Purchase of 2. _____
Real Estate
3. _____ 4. _____

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) Exactly as name(s) appear on document

1. King County Sheriff
2. _____

Additional names on page _____ of document.

Grantee(s) Exactly as name(s) appear on document

1. Breckenridge Property Fund 2016, LLC
2. _____

Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Lot 20, Block 2, Bartonian, according to the plat thereof
recorded in Volume 37 of plats, page 23, in King County, Washington

Additional legal is on page _____ of document.

Assessor's Property Tax Parcel/Account Number

055810-0050-03

☐ Assessor Tax # not yet assigned

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

"I am signing below and paying an additional \$50 recording fee (as provided in RCW 36.18.010 and referred to as an emergency nonstandard document), because this document does not meet margin and formatting requirements. Furthermore, I hereby understand that the recording process may cover up or otherwise obscure some part of the text of the original document as a result of this request."

Signature of Requesting Party

Note to submitter: Do not sign above nor pay additional \$50 fee if the document meets margin/formatting requirements



CERTIFICATE OF PURCHASE OF REAL ESTATE

STATE OF WASHINGTON

)

CAUSE#: 14-2-28052-1 SEA

)ss

COUNTY OF KING

)

ONEWEST BANK N.A., its successors in
interest and/or assigns

vs

UNKNOWN HEIRS AND DEVISEES
OF ARNE G. HOLTER, ET AL.

Judgment Rendered On: July 27, 2015
Order of Sale Issued: December 7, 2017
Date of Certificate: February 22, 2018
Date of Sale: February 16, 2018

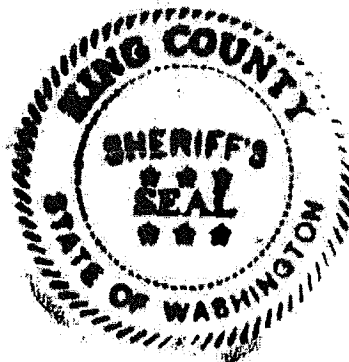
I, Sheriff of King County, State of Washington, do hereby certify that under and by virtue of the Order of Sale issued out of the above entitled Court, in the above entitled action, by which I was commanded to sell the property hereinafter described according to law, and apply the proceeds of such sale to the satisfaction of the judgment in said action, amounting to Two Hundred Sixty-Eight Thousand One Hundred Seventy-Seven & 63/100 (\$268,177.63) Dollars, with interest and costs of suit, I levied on and have this day, after legal notice, sold at public auction to BRECKENRIDGE PROPERTY FUND 2016, LLC who was the highest and best bidder therefor, at such sale, for the sum of Four Hundred Eighty-Six Thousand & 00/100 (\$486,000.00) Dollars, which was the highest sum bid at such sale, the real estate, situate in King County, State of Washington, described on the reverse side hereof, and that said property is subject to redemption, pursuant to statute.

Redemption Period: ZERO (0) MONTHS

SHERIFF MITZI JOHANKNECHT
KING COUNTY SHERIFF'S OFFICE

By: _____

Det. Hugo Esparza



JUDGMENT NUMBER 15-9-14207-7

Cause Number: 14-2-28052-1 SEA

LEGAL DESCRIPTION

LOT 10, BLOCK 1, BARTONIA, ACCORDING
TO THE PLAT THEREOF RECORDED IN
VOLUME 37 OF PLATS, PAGE 33, IN KING
COUNTY, WASHINGTON.
PARCEL # 005810-0050-03

ONEWEST BANK N.A., its successors in interest
and/or assigns

Plaintiff,

vs.

UNKNOWN HEIRS AND DEVISEES OF ARNE G.
HOLTER, ET AL.

Defendants.

CERTIFICATE OF PURCHASE

SHERIFF OF KING COUNTY

ORDER CONFIRMING SALE FILED
CLERK OF SUPERIOR COURT FOR
KING COUNTY, WASHINGTON

3/28/18

BY K. TUGUBLIMAS

DEPUTY

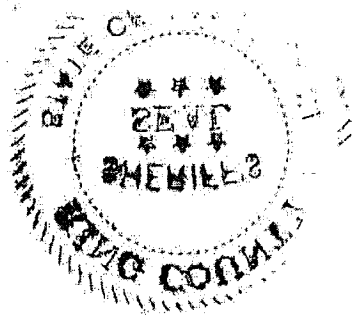


EXHIBIT D

**REAL ESTATE INVESTMENT NETWORK, LLC,
("REIN") CONTRACT**

THIS AGREEMENT is made this 19th day of March 2018, by and between Real Estate Investment Network, LLC, ("REIN") and Jeffery Holter ("Heir") regarding a residential address of 14807 Ashworth Ave N, Shoreline WA 98133

A. REIN seeks to acquire the rights of the Heir for the purpose of seeking to recover surplus funds, if any, following either a judicial foreclosure sheriff's sale (RCW 61.12.150) or a non-judicial foreclosure trustee's sale (RCW 61.24.080(3)).

B. Jeffery Holter is an heir of Arne G. Holter which includes that certain real property located at: 14807 Ashworth Ave N, Shoreline WA 98133 that was foreclosed on 02/16/2018 in King County, Washington (the "Property").

C. Heir wishes to sell the Estate's rights to the property to REIN, including the right to seek the recovery of surplus funds.

NOW, THEREFORE, for good and valuable consideration including the following promises, terms and provisions, the parties agree as follows:

1. Heir's Status. Heir agrees to sign a Declaration, attached hereto as *Exhibit A*, and any other reasonably necessary documents to attest and verify the Estate's and the Heir's interest in the Property and good standing to seek the recovery of any surplus funds and to assist REIN in seeking the recovery of any such surplus funds.

2. Conveyance to REIN. Heir agrees to execute the Bargain and Sale Deed, attached hereto as *Exhibit B*, to convey the Heir's interest in the Property to REIN. Said deed shall be executed simultaneously with this Agreement. REIN shall be responsible for paying all excise taxes and recording costs associated with recording the deed with the county auditor.

3. Payment to Heir. REIN agrees to pay Heir as follows:

REIN shall pay Heir a one-time lump sum payment in the amount of \$14,000.00 when the successful acquisition of the excess funds is completed. This shall be in the form of a bank draft payable to Heir. Heir understands and agrees that upon receipt of this payment, neither the Heir nor the Estate shall have any further claim or interest in the Surplus Funds.

4. Termination. In the event, REIN's motion to recover surplus funds becomes contested by any person or party, or if Heir material misrepresents Heir's interest in the Property, or for any other reason in REIN's sole determination, REIN may elect, in its sole, discretion to discontinue any further efforts to seek recovery of surplus funds and have no further responsibility to Heir.

5. General Terms:

Binding Effect. This Agreement shall inure to the benefit of, and be enforceable by, the Parties and their successors and/or assigns. The parties agree to sign such further documents as may be necessary to carry out the intent of this Agreement.

Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

Modification. Any waiver, alteration or modification of any of the provisions of this Agreement or cancellation or replacement of this Agreement shall not be valid unless in writing and signed by the parties.

Waiver. Failure to enforce any provision of this Agreement shall not be deemed a waiver of that provision. Waiver of any right or power arising out of this Agreement shall not be deemed waiver of any other right or power.

Choice of Law and Venue. This Agreement shall be interpreted according to the laws of the State of Washington. Any judicial action to resolve disputes arising out of this Agreement shall be brought in the Superior Court in which the Property is located.

Disputes/Attorney's Fees. In the event of any dispute between the parties arising out of or in connection with this Agreement, the prevailing party therein shall be entitled to recover from the other their costs and expenses incurred in resolving the dispute, including reasonable attorney's fees.

Counterparts. This Agreement may be executed simultaneously in counter parts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

I HAVE HAD ADEQUATE TIME TO COMPLETELY READ THIS AGREEMENT AND FULLY UNDERSTAND ALL ITS TERMS AND PROVISIONS.

SO AGREED:

REIN

By: Gregory Toussieng

Date: _____

Jeffery Holter

Date _____