


IN THE COURT OF APPEALS OF THE STATE OF NEVADA

TRP FUND VI, LLC, A NEVADA  
LIMITED LIABILITY COMPANY,  
Appellant,  
vs.  
OCWEN LOAN SERVICING, LLC,  
Respondent.

No. 79910-COA

**FILED**

JAN 29 2021

ELIZABETH A. BROWN  
CLERK OF SUPREME COURT  
BY  DEPUTY CLERK

*ORDER OF AFFIRMANCE*

TRP Fund VI, LLC (TRP), appeals from a district court summary judgment in a quiet title action. Eighth Judicial District Court, Clark County; Kenneth C. Cory, Judge.

The original owners of the subject property failed to make periodic payments to their homeowners' association (HOA). The HOA recorded a notice of delinquent assessment lien and later a notice of default and election to sell to collect on the past due assessments and other fees pursuant to NRS Chapter 116. TRP's predecessor purchased the property at the resulting foreclosure sale and filed the underlying action seeking to quiet title against respondent Ocwen Loan Servicing (Ocwen), the beneficiary of the first deed of trust on the property. TRP later substituted into the action in its predecessor's place, and Ocwen ultimately moved for summary judgment. The district court granted Ocwen's motion, concluding that the Federal National Mortgage Association (Fannie Mae) owned the underlying loan such that 12 U.S.C. § 4617(j)(3) (the Federal Foreclosure Bar) prevented the foreclosure sale from extinguishing Ocwen's deed of trust. This appeal followed.

This court reviews a district court's order granting summary judgment de novo. *Wood v. Safeway, Inc.*, 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005). Summary judgment is proper if the pleadings and all other evidence on file demonstrate that no genuine issue of material fact exists and that the moving party is entitled to judgment as a matter of law. *Id.* When deciding a summary judgment motion, all evidence must be viewed in a light most favorable to the nonmoving party. *Id.* General allegations and conclusory statements do not create genuine issues of fact. *Id.* at 731, 121 P.3d at 1030-31.

TRP presents two arguments on appeal. First, it contends that Fannie Mae did not own the underlying loan at the time of the foreclosure sale—or that there was at least conflicting evidence on this point—because the assignment of the deed of trust to one of Ocwen's predecessors purported to convey not only the deed of trust, but also the promissory note. But our supreme court recognized in *Daisy Trust v. Wells Fargo Bank, N.A.*, 135 Nev. 230, 234 n.3, 445 P.3d 846, 849 n.3 (2019), that Freddie Mac (or in this case Fannie Mae) obtains its interest in a loan by virtue of the promissory note being negotiated to it. Section A2-1-04 of the Fannie Mae Servicing Guide, of which we take judicial notice, NRS 47.130; NRS 47.170, stands for the same proposition. Consequently, because the promissory note had already been negotiated to Fannie Mae at the time of the relevant assignment of the deed of trust, Ocwen's predecessor lacked authority to transfer the note, and the language in the assignment purporting to do so

had no effect.<sup>1</sup> See 6A C.J.S. *Assignments* § 111 (2020) (“An assignee stands in the shoes of the assignor and ordinarily obtains only the rights possessed by the assignor at the time of the assignment, and no more.”).

TRP next argues that Ocwen failed to prove that Fannie Mae had an interest in the property that was subject to the Federal Foreclosure Bar. Specifically, TRP contends that Fannie Mae was required to record its interest when it acquired the underlying loan in 2008 because it was not yet under the conservatorship of the Federal Housing Finance Agency (FHFA). From there, TRP reasons that the Federal Foreclosure Bar was not yet in effect and could not have preempted Nevada’s recording statutes. But TRP misreads our supreme court’s holding in *Daisy Trust*, which was not that the Federal Foreclosure Bar preempts Nevada’s recording statutes, but rather that the recording statutes simply do not apply to the situation at issue here where a regulated entity owns the loan and its agent is the beneficiary of the recorded deed of trust. 135 Nev. at 234, 445 P.3d at 849 (specifically noting that, in light of its disposition, the court “need not address Freddie Mac’s argument that the Federal Foreclosure Bar preempts Nevada’s recording statutes”). Accordingly, we reject TRP’s argument on this point.

Because the testimony and business records produced below were sufficient to prove Fannie Mae’s ownership of the note and the agency

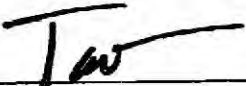
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<sup>1</sup>TRP argues that the language in the deed amounted to a false representation concerning title under NRS 205.395, a category C felony. Even assuming TRP is correct, it fails to provide any explanation as to how that would entitle it to relief in this civil matter. See *Edwards v. Emperor’s Garden Rest.*, 122 Nev. 317, 330 n.38, 130 P.3d 1280, 1288 n.38 (2006) (noting that the appellate courts need not consider claims unsupported by cogent argument or relevant authority).

relationship between it and Ocwen in the absence of contrary evidence, see *id.* at 234-36, 445 P.3d at 849-51, the district court properly concluded that the Federal Foreclosure Bar prevented extinguishment of Ocwen's deed of trust and that TRP took the property subject to it. See *Saticoy Bay LLC Series 9641 Christine View v. Fed. Nat'l Mortg. Ass'n*, 134 Nev. 270, 273-74, 417 P.3d 363, 367-68 (2018) (holding that the Federal Foreclosure Bar preempts NRS 116.3116 such that it prevents extinguishment of the property interests of regulated entities under FHFA conservatorship without affirmative FHFA consent). Consequently, we

ORDER the judgment of the district court AFFIRMED.<sup>2</sup>

  
\_\_\_\_\_, C.J.  
Gibbons

  
\_\_\_\_\_, J.  
Tao

  
\_\_\_\_\_, J.  
Bulla

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<sup>2</sup>We decline to impose sanctions against TRP or its counsel under NRAP 38 as requested by Ocwen. Nevertheless, we remind TRP and its counsel of their obligation to provide this court with an adequate appellate record. See NRAP 30(b)(3); *Cuzze v. Univ. & Cmty. Coll. Sys. of Nev.*, 123 Nev. 598, 603, 172 P.3d 131, 135 (2007). We further remind TRP's counsel of his obligations under RPC 3.1 to only advance arguments if there is a basis in law and fact for doing so and, when existing precedent does not align with his clients' interests, to present good-faith arguments for its modification or reversal.

cc: Chief Judge, Eighth Judicial District Court  
Eighth Judicial District Court, Dept. 1  
Hong & Hong  
Wright, Finlay & Zak, LLP/Las Vegas  
Eighth District Court Clerk