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9
10 **IN THE UNITED STATES BANKRUPTCY COURT**
11 **FOR THE DISTRICT OF NEVADA**

12 In Re JAZI GHOLAMREZA ZANDIAN,
13 Debtor.

BK-N-16-50644-BTB
Chapter 15

Adversary Proceeding: 17-05016-BTB

14 _____/
15 FRED SADRI, AS TRUSTEE FOR THE
16 STAR LIVING TRUST, DATED APRIL
14, 1997; RAY KOROGHLI AND
17 SATHSOWI T. KOROGHLI, AS
18 MANAGING TRUSTEES FOR
KOROGHLI MANAGEMENT TRUST,

DEFENDANT JED MARGOLIN'S
OPPOSITION TO PLAINTIFFS' MOTION
FOR PARTIAL SUMMARY
JUDGMENT ON PLAINTIFFS' QUIET
TITLE/DECLARATORY RELIEF
CAUSE OF ACTION

19 Plaintiffs,

Hearing Date: June 13, 2018
Hearing Time: 2 p.m.

20 v.

21 JED MARGOLIN; JAZI GHOLAM REZA
22 ZANDIAN; and all other parties claiming
an interest in real properties described in
this action,

23 Defendants.

24 _____/
25 PATRICK CANET,

26 Counterclaimant,

27 v.

28 FRED SADRI, INDIVIDUALLY AND AS
TRUSTEE FOR THE STAR LIVING
TRUST; RAY KOROGHLI,

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1 INDIVIDUALLY; RAY KOROGHLI
 2 AND SATHSOWI T. KOROGHLI, AS
 3 MANAGING TRUSTEES FOR
 4 KOROGHLI MANAGEMENT TRUST,
 5
 6 Counter-Defendants.
 7
 8
 9 PATRICK CANET,
 10
 11 Cross-Claimant,
 12
 13 v.
 14
 15 JED MARGOLIN,
 16
 17 Cross-Defendant.

I. INTRODUCTION

13 On April 12, 2018, Plaintiffs FRED SADRI, AS TRUSTEE FOR THE STAR LIVING
 14 TRUST, DATED APRIL 14, 1997; RAY KOROGHLI AND SATHSOWI T. KOROGHLI, AS
 15 MANAGING TRUSTEES FOR KOROGHLI MANAGEMENT TRUST (collectively
 16 “Plaintiffs”) filed a Partial Joinder to Patrick Canet’s Opposition and Countermotion for
 17 Summary Judgment Voiding Judgment Lien. Adv. No. 37. In that Joinder, the only position
 18 Plaintiffs asserted was that an affidavit with the information stated in NRS 17.150(4) was not
 19 filed, and Mr. Margolin’s judgment liens should be voided. *Id.* As stated in Mr. Margolin’s
 20 Reply in support of his Motion for Summary Judgment/Opposition to Counter-Motion, Plaintiff’s
 21 Joinder – like Canet’s Counter Motion - is both procedurally defective, is meritless, and should be
 22 denied. Adv. No. 46.¹ Plaintiffs did not join in the other arguments or positions asserted by
 23 Canet in his Opposition and Countermotion for Summary Judgment. Adv. No. 34.

24 On April 16, 2018, Plaintiffs also filed a Motion for Partial Summary Judgment on
 25 Plaintiff’s Quiet Title/Declaratory Relief Cause of Action. Adv. 39. In this Motion, Plaintiffs
 26 assert two arguments: (1) that Mr. Margolin’s judgment liens and the subsequent execution sales

27 ¹ Cross-Defendant Jed Margolin’s Reply in Support of Motion for Summary Judgment Against Cross-Claimant
 28 Patrick Canet and Opposition to Counter Motion, and all supporting documents thereto, are incorporated by reference
 herein. *See* Adv. No. 46

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1 only affected Zandian's (and/or his various companies) 1/3 interest in those properties, leaving
 2 Plaintiffs' putative 2/3 interests (if any) intact; and (2), alternatively, Mr. Margolin's liens should
 3 be voided because an affidavit was not filed with the Washoe County Recorder containing
 4 information stated in NRS 17.150(4). For the reasons stated below, and in Adv. No. 46,
 5 Plaintiff's Motion must be denied.²

6 II. REPLY ARGUMENTS

7 **A. Plaintiffs' 2/3's Interest, if Any, is Limited to the Limited Parcels to Which They** 8 **Claim An Interest Are Preserved**

9 Jed Margolin does not dispute that his judgment liens and execution sales only affect the
 10 interests of Zandian (and/or his various companies). If Plaintiffs had 2/3rds interests in the nine
 11 parcels prior to the recordation of Mr. Margolin's Judgment, a point that Plaintiffs must prove,
 12 then Plaintiffs' 2/3rds interest is preserved.³ Mr. Margolin is only interested in his 1/3 interest in
 13 the nine parcels for which he has a lien by virtue of the recording of the Default Judgment in
 14 Washoe County, Nevada, and/or has title by virtue of the applicable Sheriff's sales. *See* Adv. No.
 15 26, Exhibit A; *see* Adv. No. 25, Exhibits B-D.

16 **B. Mr. Margolin Properly Secured the Properties By Filing A Copy of the Judgment**

17 Mr. Margolin undisputedly recorded his Default Judgment against Zandian, thereby
 18 creating a lien securing those properties on the dates recorded. NRS 17.150(2) (a "copy of any
 19 judgment ... may be recorded in the office of the county recorder in any county, and when so
 20 recorded it becomes a lien upon all the real property of the judgment debtor not exempt from the
 21 execution in that county."). *See* Adv. No. 26, Exhibit A; Adv. No. 47, Exhibit A. This point is
 22 established and any argument to the contrary is without merit.

23 Each of the Sheriff's deeds state the interest executed upon is that of the judgment debtor,
 24 not that of the Plaintiffs. *See, e.g.* Adv. No. 40, Exs. 5 (084-130-07), 7 (084-0470-02), 9 (079-

25 _____
 26 ² Plaintiffs filed a Statement of Undisputed Facts on April 16, 2018. *See* Adv. No. 40. While Mr. Margolin does not
 contest the statements of fact, he does contest the legal conclusions Plaintiffs allege those facts create.

27 ³ Plaintiffs admit that their Stipulated Agreement was not recorded in Washoe County, Nevada until September 25,
 28 2017, after Mr. Margolin's Answer was filed. *See* Adv. No. 40, Ex. 11. Prior to that date, the only document
 recorded in Washoe County, Nevada, was the Judgment Confirming Arbitration Award, which required Plaintiffs to
 transfer all title to the Property to judgment debtor Zandian. *See* Adv. No. 40, Exhibit 10.

1 150-10).

2 Mr. Margolin will accept Plaintiffs representations to this Court that Plaintiffs collectively
3 hold 2/3 interests in the 9 Washoe County properties (079-150-09, 079-150-10, 079-150-13, 084-
4 040-02, 084-040-04, 084-040-06, 084-040-10, 084-130-07, 084-140-17). As such, Plaintiffs'
5 alternative argument is moot and should not be considered. Even if it is considered, it is
6 meritless.

7 **C. Plaintiffs' Alternative Argument is Wholly Without Merit -- An Affidavit Is Not**
8 **Required to Secure Real Property**

9 NRS 17.150(2) makes clear that the lien comes into existence and therefore secures the
10 real property upon the recordation of the judgment. NRS 17.150(2) states that a "transcript of the
11 original docket or an abstract or copy of any judgment or decree of a district court of the State of
12 Nevada or the District Court or court of the United States in and for the District of Nevada, the
13 enforcement of which has not been stayed on appeal, certified by the clerk of the court where the
14 judgment or decree was rendered, may be recorded in the office of the county recorder in any
15 county, *and when so recorded it becomes a lien upon all the real property of the judgment*
16 *debtor not exempt from the execution in that county*, owned by the judgment debtor at the time
17 or which the judgment debtor may afterward acquire, until the lien expires." (Emphasis added).

18 This conclusion is supported by case law interpreting NRS 17.150(2). *See Leven v. Frey*,
19 123 Nev. 399, 403, 168 P.3d 712, 715 (2007) ("NRS 17.150(2) creates a lien on a debtor's real
20 property in a particular county when a judgment is recorded in that county.").

21 "It is the duty of [a] court, when possible, to interpret provisions within a common
22 statutory scheme to avoid unreasonable or absurd results, thereby giving effect to the
23 Legislature's intent." *S. Nevada Homebuilders Ass'n v. Clark Cty*, 121 Nev. 446, 449, 117 P.2d
24 171, 173 (2005). Interpreting NRS 17.150(4) to be a requirement for the existence of a lien
25 would render the above-emphasized language of NRS 17.150(2) without meaning. The lien is
26 automatically perfected pursuant to the plain language of NRS 17.150(2) by merely recording the
27 judgment.

28 NRS 17.150(4) simply does not state that the affidavit is required to secure a lien upon the

1 property. All that is required is to record a copy of the judgment, which Mr. Margolin did.
2 Therefore, Mr. Margolin properly perfected judgment liens upon the properties.

3 Ironically, Plaintiffs have not produced any evidence that the two primary documents they
4 rely on to claim their 2/3 interest in the Property (the Judgment Confirming Arbitration Award
5 and Stipulated Agreement - Adv. No. 40, Exhibits 10-11) were filed with an accompanying
6 affidavit. Plaintiffs therefore admit that an affidavit is not necessary to secure a lien upon the
7 Property at issue.

8 III. CONCLUSION

9 Mr. Margolin does not contest Plaintiffs' alleged rights (whatever they may be) relating to
10 their claimed 2/3 interest in the following parcels of Property in Washoe County: 079-150-09,
11 079-150-10, 079-150-13, 084-040-02, 084-040-04, 084-040-06, 084-040-10, 084-130-07, 084-
12 140-17. Mr. Margolin is only concerned with Zandian's 1/3 interest, that now belongs to Mr.
13 Margolin. The Court need not reach Plaintiffs' alternative argument. However, if it does so, such
14 argument must be rejected because the affidavit referred to in NRS 17.150(4) is not a pre-
15 requisite for establishing a valid lien.

16 DATED: This 30th day of May, 2018.

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CERTIFICATE OF SERVICE

Pursuant to Fed. R. Civ. P. 5(b), I certify that I am an employee of BROWNSTEIN HYATT FARBER SCHRECK, LLP, and on this 30th day of May, 2018, I served the document entitled **DEFENDANT JED MARGOLIN'S OPPOSITION TO PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT ON PLAINTIFFS' QUIET TITLE/ DECLARATORY RELIEF CAUSE OF ACTION** on the parties listed below via the following:

VIA FIRST CLASS U.S. MAIL: by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Reno, Nevada, addressed as follows:

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BY PERSONAL SERVICE: by personally hand-delivering or causing to be hand delivered by such designated individual whose particular duties include delivery of such on behalf of the firm, addressed to the individual(s) listed, signed by such individual or his/her representative accepting on his/her behalf. A receipt of copy signed and dated by such an individual confirming delivery of the document will be maintained with the document and is attached.

VIA COURIER: by delivering a copy of the document to a courier service for over-night delivery to the foregoing parties.

VIA ELECTRONIC SERVICE: by electronically filing the document with the Clerk of the Court using the ECF system which served the foregoing parties electronically.

/s/ Nancy R. Lindsley
Employee of Brownstein Hyatt Farber
Schreck, LLP