SUPREME COURT OF NEVADA

SFR Investments Pool 1, LLC v. Bank of New York Mellon

No. 79290 (Nev. May 2, 2022) · No. No. 79290 · Decided May 20, 2022

SUMMARY

The Nevada Supreme Court affirmed a district court judgment holding that a deed of trust survived an HOA foreclosure sale. The court concluded that the respondent's quiet title claim was timely under NRS 11.220, relying on U.S. Bank, N.A. v. Thunder Properties, Inc. The court issued the decision without oral argument.

CASE DETAILS

COURT	Supreme Court of Nevada
WRITING FOR THE COURT	C.J. Parraguirre; Justice Hardesty; Senior Justice Mark Gibbons
JURISDICTION	Nevada
DECIDED	May 20, 2022
DOCKET	No. 79290
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a district court final judgment in a judicial foreclosure and quiet title action.
STANDARD OF REVIEW	The statute of limitations is reviewed de novo when its application presents a question of law; the appropriate accrual date is a question of law only when the facts are uncontroverted.
PRECEDENTIAL VALUE	Published Nevada Supreme Court order; precedential status identified as published.
PARTIES	SFR Investments Pool 1, LLC v. Bank of New York Mellon, f/k/a Bank of New York, as Trustee for Registered Holders of CWABS, Inc., Asset-Backed Certificates, Series 2005-IM3, a/k/a The Bank of New York Mellon, f/k/a The Bank of New York as Trustee for Certificateholders CWABS, Inc., Asset-Backed Certificates, Series 2005-IM3

TOPICS

quiet title · foreclosure · statute of limitations · appellate procedure · standard of review

PRACTICE AREAS

real estate · foreclosure · quiet title · civil procedure · appellate procedure

QUESTIONS PRESENTED

1. Whether the bank's quiet title claim concerning the survival of its deed of trust was barred by the applicable statute of limitations.
2. Whether the bank was required to specifically plead or otherwise expressly identify the tender as a claim within the limitations period.

HOLDINGS

1. The bank's 2015 quiet title claim was timely because NRS 11.220's four-year limitations period governs a deed-of-trust beneficiary's quiet title claim in circumstances such as these, and the claim was timely under any conceivable accrual date.
2. Under the facts of this case, the bank was not required to specifically plead tender as a separate claim or expressly reference tender in the complaint.

KEY QUOTATIONS

> *“"[T]he statute of limitations should not run against a lienholder until it has something closely analogous to 'notice of disturbed possession, such as repudiation of the lien.'"”* (at 2)

FACTUAL BACKGROUND

An HOA conducted a foreclosure sale in 2013 affecting property subject to the first deed of trust held by Bank of New York Mellon. The bank's agent, Miles Bauer, tendered the superpriority portion of the HOA's lien. The bank referenced the tender in January 2015 interrogatory responses and filed an amended complaint asserting quiet title on January 21, 2015.

PROCEDURAL HISTORY

The Eighth Judicial District Court, Clark County, entered judgment for Bank of New York Mellon, concluding that the first deed of trust survived the homeowners association's 2013 foreclosure sale. The district court found that the bank's agent tendered the superpriority portion of the HOA lien and that the bank was not time-barred from asserting its tender-based quiet title claim. SFR Investments appealed, and the Nevada Supreme Court affirmed without oral argument.

DISPOSITION

affirmed

CASES CITED

- U.S. Bank, N.A. v. Thunder Properties, Inc., 138 Nev., Adv. Op. 3, 503 P.3d 299 (2022)
- Berberich v. Bank of Am., N.A., 136 Nev. 93, 97, 460 P.3d 440, 443 (2020)

- Holcomb Condos. Homeowners' Ass'n v. Stewart Venture, LLC, 129 Nev. 181, 186-87, 300 P.3d 124, 128 (2013)
- Winn v. Sunrise Hosp. & Med. Ctr., 128 Nev. 246, 253, 277 P.3d 458, 463 (2012)