



Skagit County Auditor

3/27/2017 Page

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\$79.00

9:28AM

MICHELLE JENSEN, AUSA  
UNITED STATES ATTORNEY'S OFFICE  
700 STEWART STREET, SUITE 5220  
SEATTLE, WA 98101-1271

### COVER SHEET

**DOCUMENT TITLE:** *FINAL ORDER OF FORFEITURE*

**REFERENCE NUMBER:**

**GRANTOR:** United States of America

**GRANTEE:** Hector Hernandez and Nelly Valtierra-Agredano,  
husband and wife

### LEGAL DESCRIPTION:

Real property commonly known as 18370 Cascade Street, Mount Vernon, Washington, Skagit County Parcel No. P102004 / 340419-2-005-0100; and all its Buildings, Improvements, Appurtenances, Fixtures, Attachments, and Easements, more particularly described as:

#### Parcel A:

Tract 3 of Skagit County Short Plat No. 92-010, located in the East ½ of the Northwest ¼ of the Southeast ¼ of the Northwest ¼ of Section 19, Township 34 North, Range 4 East, W. M. approved June 11, 1992 and recorded on June 11, 1992 in Volume 10 of Short Plats, Pages 90 and 91, under Auditor's File No. 9206110070, records of Skagit County, Washington. Situate in Skagit County, Washington

#### Parcel B:

A non-exclusive easement for ingress, egress and utilities over, across and under the South 20 feet and the North 30 feet of the East 50 feet of Tract 2, Skagit County Short Plat No. 92-010, as delineated and located in the East ½ of the Northwest ¼ of the Southeast ¼ of the Northwest ¼ of Section 19, Township 34 North, Range 4 East, W. M. approved June 11, 1992 and recorded on June 11, 1992 in Volume 10 of Short Plats, Pages 90 and 91, under Auditor's File No. 9206110070, records of Skagit County, Washington. Situate in Skagit County, Washington

The Hon. Richard A. Jones

CERTIFIED TRUE COPY  
ATTEST: WILLIAM M. McCOOL  
Clerk, U.S. District Court  
Western District of Washington  
By Donna McJackson  
Deputy Clerk

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

HECTOR HERNANDEZ-MORENO

Defendant,

and

NELLIE VALTIERRA-HERNANDEZ,

Third-Party Claimant.

NO. CR14-197RAJ

SETTLEMENT AGREEMENT AND  
ORDER APPROVING SETTLEMENT  
AND FINAL ORDER OF FORFEITURE

The United States and Claimant Nellie Valtierra-Hernandez, by and through their respective counsel of record, HEREBY AGREE to the following terms in order to settle the interest Claimant Nellie Valtierra-Hernandez has asserted in the real property located at 18370 Cascade Street, Mount Vernon, Washington 98273 (hereafter "the Cascade Street property").

**RELEVANT PROCEDURAL FACTS**

1. Defendant Hector Hernandez-Moreno was indicted in this case on July 2, 2014 with Conspiracy to Distribute Controlled Substances, in violation of 21 U.S.C. §§ 841(a)(1), 841(b)(1)(B) and 846, and Money Laundering, in violation of 18 U.S.C. §§ 2 & 1957 (Dkt. No. 1). On January 8, 2016, Mr. Hernandez-Moreno entered pleas of guilty to both charges (Dkt. No. 329). Pursuant to his plea agreement, Mr. Hernandez-Moreno agreed to forfeit his interest in the Cascade Street property on the grounds “more than \$10,000 of the funds [he] used to purchase” it was proceeds from his distribution of controlled substances (*Id.*, ¶¶ 9(e) & 13). Mr. Hernandez-Moreno’s interest in the Cascade Street property was forfeited at his sentencing on April 15, 2016 (Dkt. No. 351).

2. Thereafter, the United States published notice of its intent to fully and finally forfeit the Cascade Street property, as required by 21 U.S.C. § 853(n)(1) and Fed. R. Crim. P. 32.2(b)(6)(C) (Dkt. No. 364). The United States also provided direct notice to Mr. Hernandez-Moreno’s wife, Nellie Valtierra-Hernandez, as required by Fed. R. Crim. P. 32.2(b)(6)(A). On June 9, 2016, Ms. Valtierra-Hernandez filed a claim to the Cascade Street property (Dkt. No. 379). No additional parties have filed claims to the Cascade Street property, and the time for doing so has now expired pursuant to 21 U.S.C. § 853(n)(2), Fed. R. Crim. P. 32.2(b)(6), and Fed. R. Civ. P., Supp. R. G(5)(a)(ii).

2. The United States and Ms. Valtierra-Hernandez have completed discovery with respect to her claim, and the discovery period for these ancillary forfeiture proceedings closed on February 17, 2017 (Dkt. No. 410).

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**AGREEMENT**

The United States and Ms. Valtierra-Hernandez ("the Claimant") (collectively, "the Parties") agree to the following terms of settlement:

1. The Claimant agrees to withdraw her claim to the Cascade Street property and further agrees the Cascade Street property shall be fully and finally forfeited to the United States pursuant to 21 U.S.C. § 853 (providing for the forfeiture of property derived from proceeds of the distribution of controlled substances) and 18 U.S.C. § 982(a)(1) (property involved in money laundering). By agreeing to the forfeiture of the Cascade Street property, the Claimant expressly abandons any and all legal interest she may have in it and expressly waives any right to challenge its forfeiture in this, or any collateral, proceeding. To accomplish forfeiture of the Cascade Street property, the Parties agree to entry of the Order proposed below.

2. The Parties agree that, following entry of the Order proposed below, the United States Marshals Service shall sell the Cascade Street property, on behalf of the United States, according to its established procedures. The Parties agree that, pursuant to those procedures, the United States Marshals will pay, from the proceeds of the sale, all necessary costs related to the sale, as well as all delinquent property taxes (which the Skagit County Assessor's Office identifies to be \$12,745.38 as of March 3, 2017).

3. From the remaining "net" proceeds of the sale of the Cascade Street property, the Parties agree the United States will pay the Claimant, via her counsel of record, the amount of \$50,000, *unless* the net proceeds are less than \$100,000, in which case the United States will split the net proceeds with the Claimant. The United States agrees to make the relevant payment in a timely fashion following the sale of the Cascade Street property.

4. The Claimant recognizes that the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3716, which is administered by the Treasury Offset Program ("TOP"), requires the United States Treasury to offset federal payments to collect certain delinquent debts owed to the United States by a payee. The Claimant recognizes, therefore, that the amount of

1 the relevant payment identified in Paragraph 3 may be reduced by the amount of any  
2 delinquent debt TOP is required to collect.

3 5. The Parties agree that each will bear its own fees and costs incurred in these  
4 ancillary forfeiture proceedings.

5 6. The Claimant agrees to release and hold harmless the United States, its agents,  
6 servants, and employees (and any involved state or local law enforcement agencies and their  
7 agents, servants, or employees), in their individual or official capacities, from any and all  
8 claims the Claimant, or her representatives or agents, may possess, or that may arise, as a  
9 result of the United States' action against the Cascade Street property.

10 7. The Parties agree this Agreement is subject to review and approval by the  
11 Court, as provided in the proposed Order below. If the Court enters the proposed Order, a  
12 violation of any term or condition of this Agreement shall be construed as a violation of that  
13 Order.

14 DATED this 13th day of March, 2017.

15 Respectfully submitted,

16 ANNETTE L. HAYES

17 United States Attorney

18 /s/ Michelle Jensen

19 MICHELLE JENSEN, WSBA #36611

20 Assistant United States Attorney

21 United States Attorney's Office

22 700 Stewart Street, Suite 5220

23 Seattle, WA 98101-1271

24 /s/ Michael Nance

25 MICHAEL NANCE, WSBA #13933

26 Attorney at Law

27 1001 Fourth Avenue, #3200

28 Seattle, WA 98154

(206) 624-3211

michaelnancelaw@gmail.com

Attorney for Claimant Nellie Valtierra-Hernandez

**ORDER APPROVING SETTLEMENT  
AND FINAL ORDER OF FORFEITURE**

The Court, having reviewed the above Agreement between the United States and Claimant Nellie Valtierra-Hernandez, as well as the other papers and pleadings filed in this action, HEREBY APPROVES the Agreement and ENTERS a Final Order of Forfeiture, as follows:

1. The following real property is fully and finally condemned and forfeited, in its entirety, to the United States: 18370 Cascade Street, Mount Vernon, Washington, 98273; Skagit County Parcel No. P102004 / 340419-2-005-0100; and its buildings, improvements, appurtenances, fixtures, attachments and easements, including but not limited to a 1993 Fleetwood manufactured home, serial number 66X28; more particularly described as:

**Parcel A:**

Tract 3 of Skagit County Short Plat No. 92-010, located in the East ½ of the Northwest ¼ of the Southeast ¼ of the Northwest ¼ of Section 19, Township 34 North, Range 4 East, W. M. approved June 11, 1992 and recorded on June 11, 1992 in Volume 10 of Short Plats, Pages 90 and 91, under Auditor's File No. 9206110070, records of Skagit County, Washington.  
Situate in Skagit County, Washington

**Parcel B:**

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Situate in Skagit County, Washington.

1 2. Upon entry of this Order, no right, title, or interest in this real property shall exist  
2 In any party other than the United States; and,

3 3. The United States, and/or its representatives, including but not limited to the  
4 United States Marshals Service, are authorized to dispose of this real property as permitted  
5 by governing law.  
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7 IT IS SO ORDERED.

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9 DATED this 17th day of March, 2017.

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12 The Honorable Richard A. Jones  
13 United States District Judge  
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