

Office of the Attorney General  
2501 East Sahara Avenue, Suite 201  
Las Vegas, Nevada 89104

BEFORE THE COMMISSION FOR COMMON-INTEREST  
COMMUNITIES AND CONDOMINIUM HOTELS  
STATE OF NEVADA

GAIL J. ANDERSON, Administrator,  
REAL ESTATE DIVISION,  
DEPARTMENT  
OF BUSINESS & INDUSTRY,  
STATE OF NEVADA,

Case No. CIS 2014-2009

FILED

JUL 11 2014

NEVADA COMMISSION OF  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS



Petitioner,

vs.

MARIA LIMON,

Respondent.

FINDINGS OF FACT,  
CONCLUSIONS OF LAW AND ORDER

This matter came on for hearing before the Commission for Common-Interest Communities and Condominium Hotels, Department of Business and Industry, State of Nevada (the "Commission"), during a regular agenda on July 9, 2014, at the Bradley Building Second Floor Conference Room, 2501 E. Sahara Avenue, Las Vegas, Nevada 89104 (the "Hearing"). The Respondent, Maria Limon, did not appear and was not represented. Michelle D. Briggs, Esq., Senior Deputy Attorney General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division").

The Commission, having considered the complaint filed by Petitioner, the letter from Gabriel Grasso, Esq. dated June 6, 2014, advising that Ms. Limon will not contest the suspension and possible revocation of her license, and being fully advised, enters the following Findings of Fact, Conclusions of Law, and Order. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) Chapter 116 and 116A, the Commission has legal jurisdiction and authority over this matter.

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**FINDINGS OF FACT**

The Commission, based upon the filed complaint, finds that there is substantial evidence in the record to establish each of the following Findings of Fact.

1. RESPONDENT is, and was licensed as a community manager by the Division in April 2008, prior to such time RESPONDENT performed the duties of a community manager without a license and is, therefore, subject to the jurisdiction of the Division and the provisions of NRS Chapters 116 and 116A and NAC Chapters 116 and 116A.

2. On May 1, 2014, RESPONDENT signed a Plea Memorandum with the United States of America regarding criminal charges filed against RESPONDENT pursuant to Case number 2:13:CR-0018-JCH-GWF.

3. In accordance with the Plea Memorandum, RESPONDENT pleaded guilty to Conspiracy to Commit Wire and Mail Fraud in violation of Title 18, United States Code, Section 1349.

4. RESPONDENT pleaded guilty to the felony charge because RESPONDENT is guilty of the charged offense.

5. RESPONDENT specifically admitted and declared under penalty of perjury that all of the facts set forth below are true and correct. Some of the facts that RESPONDENT pleaded to were actions taken by RESPONDENT'S co-conspirators and without the knowledge or involvement of the RESPONDENT at the time; however, RESPONDENT acknowledged that she knew of the unlawful purpose of the conspiracy and willingly joined it and that she is, therefore, responsible as a member of the conspiracy for those actions that were taken by her co-conspirators in furtherance of the conspiracy. RESPONDENT'S actions in furtherance of the conspiracy are specifically indicated.

6. From as early as December 2004 through in or around February 2009, RESPONDENT knowingly participated in a scheme to control various Homeowners' Association (HOA) Boards of Directors so that the HOA boards would award the handling of construction defect lawsuits and remedial construction contracts to a law firm and construction company designated by RESPONDENT'S co-conspirators.

1           7.     The conspirators would identify HOAs which potentially could bring construction  
2 defect cases, and once identified would enlist real estate agents to identify condominium  
3 units within those HOA communities for purchase.

4           8.     Co-conspirators would then enlist individuals as straw purchasers to apply for  
5 and complete mortgage loans using their own name and credit for the purchase of properties  
6 within the HOA communities on behalf of the beneficial owners. RESPONDENT was a straw  
7 purchaser. The co-conspirators arranged for the straw purchasers to get the necessary  
8 funding for the mortgages by assisting them with the loan applications and closing  
9 documents, which included false and fraudulent statements that involved concealing the  
10 identity and financial interest of the true beneficial owners of the properties from banks,  
11 mortgage companies, HOAs, and bona fide homeowners. The co-conspirator real estate  
12 agents arranged for the down payments to be funded by a co-conspirator and arranged for  
13 the money to be transferred to the escrow accounts.

14           9.     Once the straw purchases were complete, the beneficial owners and co-  
15 conspirators often found tenants to rent the units. The beneficial owners received the rental  
16 payments and continued to pay the mortgages and various expenses associated with the  
17 straw purchase.

18           10.    Co-conspirators were hired to manage and operate the payments associated  
19 with maintaining these straw properties. The co-conspirators called this business of funding  
20 these properties the "Bill Pay Program." The co-conspirators involved in running the Bill Pay  
21 Program maintained several limited liability companies, at the direction of the co-conspirator  
22 construction company owner and others, for the purpose of opening bank accounts and  
23 concealing the Bill Pay Program funds. Many of the payments on these properties were  
24 wired or caused to be wired from California to Nevada.

25           11.    On several occasions, instead of making a straw purchase, the co-conspirators  
26 transferred a partial interest in a unit to another co-conspirator for the purpose of making it  
27 appear as if the co-conspirator was a bona fide homeowner. The co-conspirator real estate

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1 agent would assist with the paperwork involved in such transfers and arranged for the  
2 completion of the paperwork.

3 12. Many of the straw purchasers and those who acquired a transferred interest in  
4 the properties agreed with co-conspirators to run for election to the respective HOA Board of  
5 Directors. These co-conspirators were paid or promised cash, checks, or things of value for  
6 their participation, all of which resulted in a personal financial benefit to the co-conspirators.

7 13. To ensure the co-conspirators would win the elections, co-conspirators at times  
8 employed deceitful tactics, such as creating false phone surveys to gather information about  
9 homeowners' voting intentions, using mailing lists to vote on behalf of out-of-town  
10 homeowners unlikely to participate in the elections, and submitting fake and forged ballots.  
11 Co-conspirators also hired private investigators to uncover negative information on the bona  
12 fide candidates in order to create smear campaigns.

13 14. Another tactic the co-conspirators used to rig certain HOA board elections was  
14 to prepare forged ballots for out-of town homeowners and either case them to be transported  
15 or mailed to California and thereafter to have the ballots mailed back to Las Vegas from  
16 various locations around California so as to make it appear that the ballots were completed  
17 and mailed by bona fide homeowners residing outside Nevada. For instance, on or about  
18 April 15, 2008, and on or about April 21, 2008, a co-conspirator mailed ballots from several  
19 mail boxes in California back to Nevada in order to assist in the rigging of an election at Park  
20 Avenue.

21 15. On several occasions, co-conspirators attempted to create the appearance that  
22 the elections were legitimate by hiring "independent" attorneys to run the HOA board  
23 elections. These "special election masters" were to (1) contact the bona fide homeowners to  
24 inform them of the lection; (ii) mail the bona fide homeowners election ballots and voting  
25 instructions; (iii) collect and secure those election ballots returned by mail until the date of the  
26 election; and (iv) preside over the HOA board election, including supervising the counting of  
27 ballots. However, in truth and fact, the "special election masters" were selected by the co-  
28 conspirators and paid in cash, check, or promised things of value, by or on behalf of the co-

1 conspirator construction company and its owner, for their assistance in rigging the elections.  
2 In particular, the "special election masters" allowed the co-conspirators to access the ballots  
3 for the purpose of opening the ballots and pre-counting the votes entered for each candidate  
4 to then know the number of fake ballots which needed to be created to ensure the co-  
5 conspirator up for election won the seat on the HOA board. These attorneys would run the  
6 board election knowing the co-conspirators had access to the ballots and concealed their  
7 relationship with the co-conspirators from the bona fide homeowners.

8 16. Once elected, the straw purchaser board members would meet with the co-  
9 conspirators in order to manipulate board votes, including the selection of property managers,  
10 contractors, general counsel and attorneys to represent the HOA.

11 17. RESPONDENT worked for a property management company, Crystal  
12 Management, which was secretly funded and controlled by a co-conspirator. In November  
13 2006, the Chateau Nouveau HOA hired Crystal Management to be the property management  
14 company at the HOA. During that time, RESPONDENT and Crystal Management assisted in  
15 facilitating the HOA takeover scheme.

16 18. At times the co-conspirators created and submitted fake bids for "competitors"  
17 to make the process appear to be legitimate while ensuring co-conspirators were awarded  
18 the contract. Once hired, co-conspirators, including property managers and general counsel,  
19 would then recommend that the HOA board hire the co-conspirator construction company for  
20 remediation and construction defect repairs, and the co-conspirator law firm to handle the  
21 construction defect litigation. In addition, the co-conspirator construction company's initial  
22 contract for emergency remediation repairs contained a "right of first refusal" clause to ensure  
23 the co-conspirator construction company was awarded the construction repair contracts  
24 following the construction defect litigation.

25 19. This entire process created the appearance of legitimacy since bona fide  
26 homeowners believed the elected board members and other third party contractors were, as  
27 fiduciaries, acting in their best interest rather than to advance the financial interests of co-  
28 conspirators. In fact, the straw purchaser board members were paid or received things of

1 value by or on behalf of their co-conspirators for their assistance in purchasing the properties,  
2 obtaining HOA members status, rigging elections, using their positions to manipulate the  
3 HOA's business and to further the goals of the conspiracy, and to enrich the co-conspirators  
4 at the expense of the HOA and the bona fide homeowners.

5 20. When confronted by agents of the Federal Bureau of Investigation on August  
6 26, 2009, regarding her involvement with Crystal Management, Respondent falsely stated in  
7 substance that she did not communicate with a co-conspirator regarding Crystal  
8 Management and that she did not know that a co-conspirator was behind Crystal  
9 Management, when in truth and in fact, Respondent knew that a co-conspirator had funded  
10 and controlled Crystal Management.

11 **CONCLUSIONS OF LAW**

12 21. RESPONDENT violated NAC 116.310 (Jul. 2000) by failing to disclose her  
13 expectation to receive financial compensation from co-conspirators and by failing to disclose  
14 the intentions of her co-conspirators before performing services for HOA's.

15 22. RESPONDENT violated NAC 116.300(2) (Jul. 2000) by accepting remuneration  
16 that improperly influenced her decision making and created a conflict of interest between her  
17 and the best interests of her client.

18 23. RESPONDENT violated NAC 116.360(1)(a)(1) (Jul. 2000) by committing acts of  
19 unprofessional conduct by engaging in deceitful and fraudulent conduct.

20 24. RESPONDENT violated NAC 116.360(1)(a)(1) (Jul. 2000) by committing acts of  
21 unprofessional conduct by failing to comply with the provisions of NRS 116, by failing to  
22 disclose the details of her co-conspirators' plan to control and manipulate her clients, and by  
23 engaging in deceitful, fraudulent, and dishonest conduct in her interactions with her clients.

24 25. RESPONDENT violated NAC 116.360(1)(a)(2) (Jul. 2000) by committing acts of  
25 professional incompetence in that she demonstrated a significant lack of ability, knowledge,  
26 and fitness to perform the duties she owed to her clients and failed to exercise reasonable  
27 skill and care with respect to the obligations she owed her clients. RESPONDENT failed to

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1 protect the public against fraud, misrepresentations, and unethical practices related to the  
2 business affairs of her clients and failed to act in the best interests of her clients.

3 26. RESPONDENT violated NAC 116.360(1)(a)(3) (Jul. 2000) by engaging in  
4 negligent and grossly negligent conduct.

5 27. RESPONDENT violated NAC 116.360(1)(a)(4) (Jul. 2000) by committing a  
6 felony which is also an offense involving moral turpitude.

7 28. RESPONDENT violated NRS 116.700 (2003) (later codified as NRS 116A.900  
8 (2005)) from December 2004 to April 2008 for acting as a community manager without a  
9 certificate from the Division.

10 **ORDER**

11 The Commission, being fully apprised in the premises and good cause appearing to  
12 the Commission, ORDERED as follows:

13 1. RESPONDENT'S community manager certificate is revoked for a period of no  
14 less than 10 years.

15 2. RESPONDENT shall pay to the Division a total fine of \$41,573.73. The total  
16 fine reflects a fine of \$40,000 for committing the violations of law, plus \$1,573.73 for the  
17 Division's attorney's fees and costs. The total fine shall be paid within 60 days of the date of  
18 this Order.

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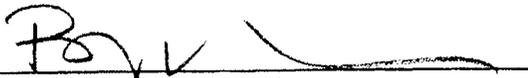
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3. The Division may institute debt collection proceedings for failure to timely pay the total fine. Further, if collection goes through the State of Nevada, then RESPONDENT shall also pay the costs associated with collection.

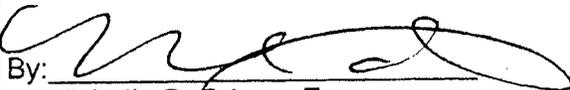
DATED this 10 day of July, 2014.

COMMISSION FOR COMMON-INTEREST  
COMMUNITIES AND CONDOMINIUM  
HOTELS DEPARTMENT OF BUSINESS &  
INDUSTRY STATE OF NEVADA

By:   
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ACTING CHAIRMAN

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