

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

3 Sharath Chandra, Administrator,  
4 Real Estate Division, Department of  
Business & Industry, State of Nevada,

Case No. 2017-599

5                               Petitioner,

6 vs.

7 Jeffrey Allan Frederick,

8                               Respondent.

**FILED**

DEC 01 2017

NEVADA COMMISSION OF *CR*  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

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10                   **FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

11           This matter came on for hearing before the Commission for Common-Interest  
12 Communities and Condominium Hotels, Department of Business and Industry, State of  
13 Nevada (the "Commission"), during a regular agenda on November 14, 2017, at the  
14 Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las  
15 Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,  
16 Director's Office, 1830 East College Parkway, Suite 100, Carson City, Nevada 89706 (the  
17 "Hearing"). The RESPONDENT, JEFFREY ALLAN FREDERICK, did not appear or  
18 submit an answer to the Complaint. Michelle D. Briggs, Esq., Senior Deputy Attorney  
19 General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate  
20 Division of the Department of Business and Industry, State of Nevada (the "Division").

21           The Commission heard testimony from Claudia Rosolen regarding notices sent to  
22 the RESPONDENT. Due to the RESPONDENT'S failure to appear for the Hearing, the  
23 Division requested a finding of default against RESPONDENT. The Commission voted  
24 unanimously to find RESPONDENT in default. The Commission enters the following  
25 Findings of Fact, Conclusions of Law, and Order. Under Nevada Revised Statutes (NRS)  
26 and Nevada Administrative Code (NAC) Chapters 116 and 116A, the Commission has  
27 legal jurisdiction and authority over this matter.

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1 FINDINGS OF FACT

2 Based on the Commission's finding of a default against RESPONDENT for failing  
3 to appear, the Commission accepted as true all of the following factual allegations:

4 1. In 2016, the Division opened an investigation against Hidden Crest IV  
5 Homeowners Association (the "Association") for failing to register annually with the  
6 Division or with the Secretary of State's Office and for failing to have adequate reserves.  
7 (Case No. 2016-3329)

8 2. By letter dated October 13, 2016, FREDERICK responded on behalf of the  
9 Association stating "[t]he Hidden Crest IX Board of Directors requested that I as their  
10 CAM respond to your allegations."

11 3. FREDERICK stated that the Secretary of State's records were updated and  
12 provided a printout from the Secretary of State's website.

13 4. FREDERICK stated that the Association's reserves were between 30% and  
14 70% funded and that they were "properly funded."

15 5. The printout from the Secretary of State's website for the Association shows  
16 Anthony Gelsone and Jamie Yamamoto as the board members.

17 6. Neither Mr. Gelsone nor Ms. Yamamoto responded personally to the  
18 investigation.

19 7. The Division located Ms. Yamamoto in San Diego and she reported to the  
20 Division that she had resigned from the board in 2013.

21 8. She provided email evidence of her resignation from 2013.

22 9. Mr. Gelsone informed this Commission on the hearing for Case No. 2016-  
23 3329 in June 2017 that he was the sole board member and no board meetings took place  
24 for the past three years.

25 10. FREDERICK never provided any minutes or audio for meetings or any  
26 response as to why they could not be provided.

27 11. FREDERICK did not submit the Association's 2016 annual registration form  
28 to the Division.



1 document, book or record in the possession or control of the community manager after the  
2 Division requests the production of such document, book or record in the course of an  
3 investigation of a complaint.

4 22. FREDERICK violated NAC 116A.355(1)(a)(1) (NAC 116A.355(2)(i)) by  
5 committing unprofessional conduct by exceeding the authority granted to him by the  
6 Association.

7 23. FREDERICK violated NAC 116A.355(1)(a)(2) (NAC 116A.355(3)(a)) by  
8 committing professional incompetence by demonstrating a significant lack of ability,  
9 knowledge or fitness to perform a duty or obligation owed to a client.

10 24. FREDERICK violated NAC 116A.355(1)(a)(2) (NAC 116A.355(3)(b)) by  
11 committing professional incompetence by failing to exercise reasonable skill and care with  
12 respect to a duty or obligation owed to a client.

13 25. FREDERICK violated NAC 116A.355(1)(a)(1) and (2) (NAC 116A.355(4)(g))  
14 by committing unprofessional conduct or professional incompetence by failing to act in  
15 the best interests of the Association.

#### 16 ORDER

17 The Commission being fully apprised in the premises, and good cause appearing to  
18 the Commission, by a unanimous vote, ORDERS as follows:

19 1. FREDERICK'S community manager certificate is revoked for a period of no  
20 less than ten years from the date of this Order, but in no event sooner than all fines  
21 imposed by the Commission are paid in full.

22 2. FREDERICK shall pay an administrative fine to the Division in the total  
23 amount of \$14,053.93 – which includes a fine of \$12,000 for the violations of law and  
24 \$2,053.93 representing the total amount due for the Division's attorney's fees and costs –  
25 no later than 60 days from the date of this Order.

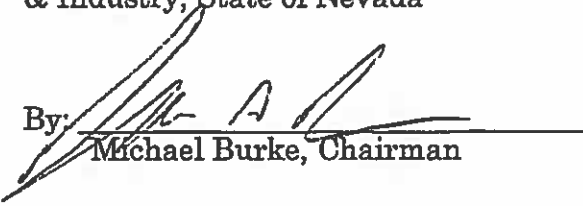
26 3. The Division may institute debt collection proceedings for failure to timely  
27 pay the total fine, including action to reduce this Order to a judgment. Further, if  
28 collection goes through the State of Nevada, then FREDERICK shall also pay the costs

1 associated with collection.

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Dated: November 28<sup>th</sup>, 2017.

Commission for Common-Interest Communities  
and Condominium Hotels, Department of Business  
& Industry, State of Nevada

By:   
Michael Burke, Chairman

Submitted by:

ADAM PAUL LAXALT  
Attorney General

By:   
Michelle D. Briggs  
Senior Deputy Attorney General  
555 East Washington Avenue, Suite 3900  
Las Vegas, Nevada 89101  
(702) 486-3809  
Attorneys for Real Estate Division