

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

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

5 Petitioner,

6 vs.

7 Max McCombs; and English Mill
8 Condominiums Homeowners Association,

9 Respondents.
10

Case No. 2014-1179

FILED

DEC 01 2017

NEVADA COMMISSION OF
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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

12 This matter came on for hearing before the Commission for Common-Interest
13 Communities and Condominium Hotels, Department of Business and Industry, State of
14 Nevada (the "Commission"), during a regular agenda on November 14, 2017, at the
15 Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las
16 Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,
17 Director's Office, 1830 East College Parkway, Suite 100, Carson City, Nevada 89706 (the
18 "Hearing"). RESPONDENT, MAX MCCOMBS, appeared in person in Carson City.
19 Michelle Briggs, Esq., Senior Deputy Attorney General with the Nevada Attorney
20 General's Office, appeared on behalf of the Real Estate Division of the Department of
21 Business and Industry, State of Nevada (the "Division").
22

23 **PROCEDURAL HISTORY**

24 On November 17, 2015 this Commission ordered to approve a settlement of
25 disciplinary action involving Respondents (the "Settlement"). The Settlement required
26 Respondents to take specific action to remedy a severe reserve deficiency. Specifically,
27 Respondents were to impose a reserve assessment against all units in the Association
28 totaling \$54.83 per month to begin in January 2016. The Commission heard a status

1 check of the Respondents' status regarding compliance with the Settlement on August 16,
2 2016. At that time, Mr. McCombs informed the Commission that he did not have a board
3 in place and had not assessed the reserve assessment as required by the Settlement. The
4 Commission gave Mr. McCombs 30 days to have two board members elected and
5 continued the matter to the November meeting.

6 This matter was heard on November 15, 2016 as a status check on the Settlement.
7 Mr. McCombs reported the reserve account had \$3,000. The Commission ordered Mr.
8 McCombs to report at the next Commission meeting the owners who had not paid the
9 reserve assessment and what the Association was doing to collect the deficiency.

10 The matter came back to the Commission on March 7, 2017. Mr. McCombs did not
11 provide evidence as requested at the prior meeting. The Commission requested Mr.
12 McCombs to provide Ms. Briggs with a detail of each owner's payment history for the
13 reserve assessment and proof of payment to the reserve account. The matter was
14 continued again.

15 At the Commission's meeting on June 27, 2017, Mr. McCombs provided evidence
16 that the reserve account totaled \$11,800. The reserve study reflects funding should be at
17 \$72,000. If the Settlement had been followed the Association would have \$24,600 in
18 reserves. Mr. McCombs told the Commission that he did not know the reserve assessment
19 was supposed to start in 2016. The Commission continued the matter again.

20 The Commission heard from Mr. McCombs on August 29, 2017 and again on
21 November 14, 2017.

22 The Commission enters the following Findings of Fact, Conclusions of Law, and
23 Order. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC)
24 Chapter 116, the Commission has legal jurisdiction and authority over this matter.

25 FINDINGS OF FACT

26 Based on Mr. McCombs's reports at each status check, the Commission finds the
27 following facts by a preponderance of the evidence:

- 28 1. The Association and Mr. McCombs did not comply with the Settlement

1 which required a monthly reserve assessment in the amount of \$54.83 per month to begin
2 in January 2016, Settlement Term No. 6.

3 **CONCLUSIONS OF LAW**

4 Based on the foregoing factual findings, the Commission concludes by unanimous
5 vote that the following violations of law are proven:

6 2. RESPONDENTS violated NRS 116.785(3) by failing to comply with the
7 Commission's order approving the settlement dated November 30, 2015.

8 **ORDER**

9 The Commission being fully apprised in the premises, and good cause appearing to
10 the Commission, by unanimous vote, Orders as follows:

11 1. RESPONDENTS shall hire a community manager who holds a certificate from
12 the Division to prepare monthly financial statements and attend all Association meetings.

13 2. Prior to the Commission's next meeting on March 6, 2018, MCCOMBS shall
14 provide to Ms. Briggs and Mr. Cooke:

15 a. A year-end financial statement for 2017 prepared by a certified public
16 accountant, or if not prepared by a certified public accountant, also provide the bank
17 statements for all Association accounts for the month of December 2017 along with
18 the year-end financial statement;

19 b. A list of accounts who are 3 or more months delinquent and what steps
20 have been taken for collection;

21 c. The management contract; and

22 d. The request for proposal with evidence that it was sent to at least three
23 community managers who hold a certificate from the Division.

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1 3. If MCCOMBS fails to comply with the requirements of this Order, the
2 Commission may impose a personal fine plus costs against MCCOMBS at its meeting in
3 March 2018.

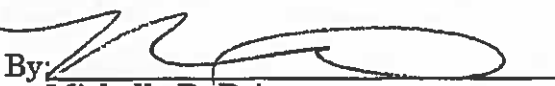
4 Dated: November 30th, 2017.

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

8 By: 
Michael Burke, Chairman

9 Submitted by:

10 ADAM PAUL LAXALT
11 Attorney General

12 By: 
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