

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

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

Case No. 2017-1743

Petitioner,

vs.

Kristen Gillis,

Respondent.

**FILED**

APR 30 2018

NEVADA COMMISSION OF  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

**COMPLAINT FOR DISCIPLINARY  
ACTION AND NOTICE OF HEARING**

The Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), by and through its counsel, Adam Paul Laxalt, Attorney General of the State of Nevada, and Michelle D. Briggs, Esq., Senior Deputy Attorney General, hereby notifies Respondent Kristen Gillis ("RESPONDENT" or "GILLIS") of an administrative hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if an administrative penalty will be imposed on the RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NAC 116A.360.

**JURISDICTION AND NOTICE**

1. During all relevant times mentioned in this complaint, GILLIS held a supervisory community manager certificate from the Division (CAM.0001092-SUPR) 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.

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## FACTUAL ALLEGATIONS

2. In June 2017, the Division received complaints from homeowners and board members for Hillcrest Community Association (the "Association").

3. The Association was managed by RESPONDENT KRISTEN GILLIS and had been for several years.

4. The complaints centered on the handling of a board meeting by GILLIS'S daughter who is not a community manager.

5. GILLIS permitted her daughter to chair the meeting which was at a restaurant.

6. The meeting was described as hostile, horrible, unprofessional, and unorganized.

7. The board member said GILLIS'S daughter threatened homeowners with legal action when they questioned what was happening.

8. GILLIS left during the meeting and her daughter continued to chair the meeting.

9. At a disciplinary hearing before this Commission in November against the Association and its board members, three of the board members were removed, one of which was not an owner within the Association.

10. The two remaining board members informed the Division that GILLIS or her family members owned two vendors of the Association, but her relationship to them was not disclosed.

11. The two companies are: "Nevada K" which was supposed to be doing parking inspections; and "A Family Affair" which performed unspecified services.

12. Nevada K received \$425 per month, but board members complained about parking inspections and enforcement not being done.

13. GILLIS'S son was the contact person for Nevada K.

14. A Family Affair was paid approximately \$19,000 in 2015 and 2016 for unknown work, and GILLIS'S mother was the contact person.

15. GILLIS failed to respond to letters from the Division requesting that she provide a response to the allegations.

## VIOLATIONS OF LAW

16. GILLIS violated NRS 116A.630(1)(a) and NAC 116A.320 by failing to act as a fiduciary in her relationship with the Association.

17. GILLIS violated NRS 116A.630(1)(b) and NAC 116A.320 by failing to exercise ordinary and reasonable care in the performance of her duties.

18. GILLIS violated NRS 116A.630(2)(a) and NAC 116A.320 by failing to comply with state laws.

19. GILLIS violated NRS 116A.630(10) and NAC 116A.320 by failing to cooperate with the Division in resolving complaints filed with the Division.

20. GILLIS violated NRS 116A.640(2)(a) and NAC 116A.345(2)(a) by impeding or otherwise interfering with an investigation of the Division by failing to comply with a request of the Division to provide documents.

21. GILLIS violated NRS 116A.640(2)(c) and NAC 116A.345(2)(c) by impeding or otherwise interfering with an investigation of the Division by concealing facts or documents relating to the business of a client.

22. GILLIS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(b)) by committing unprofessional conduct by failing to disclose to the Association's board that her family members were vendors for the Association.

23. GILLIS violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(f)) by committing unprofessional conduct by failing to cooperate with the Division in the investigation of a complaint including, without limitation, failure to produce any document, book or record in the possession or control of the community manager after the Division requests the production of such document, book or record in the course of an investigation of a complaint.

24. GILLIS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(a)) by committing professional incompetence by demonstrating a significant lack of ability, knowledge or fitness to perform a duty or obligation owed to a client.

25. GILLIS violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by committing professional incompetence by failing to exercise reasonable skill and care with respect to a duty or obligation owed to a client.

26. GILLIS violated NAC 116A.355(1)(a)(1) and (2) (through NAC 116A.355(4)(g)) by committing unprofessional conduct or professional incompetence by failing to act in the best interests of the Association.

**DISCIPLINE AUTHORIZED**

Pursuant to the provisions of NAC 116A.360 the Commission has discretion to impose discipline as it deems appropriate, including, but not limited to one or more of the following actions:

1. Revoke or suspend the certificate;
2. Refuse to renew or reinstate the certificate;
3. Place the community manager on probation;
4. Issue a reprimand or censure to the community manager;
5. Impose a fine of not more than \$5,000 for each violation of a statute or regulation;
6. Require the community manager to pay restitution;
7. Require the community manager to pay the costs of the investigation and hearing;
8. Require the community manager to obtain additional education relating to the management of common-interest communities; and
9. Take such other disciplinary action as the Commission deems appropriate.

The Commission may order one or any combination of the discipline described above.

## NOTICE OF HEARING

**PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider this Administrative Complaint against the above-named RESPONDENT in accordance with Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapters 116

1 and 116A of the Nevada Administrative Code.

2 THE HEARING WILL TAKE PLACE at the Commission meeting scheduled for  
3 June 19-21, 2018, beginning at approximately 9:00 a.m. each day, or until such time as  
4 the Commission concludes its business. The Commission meeting will be held at the  
5 Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las  
6 Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,  
7 Director's Office, 1830 East College Parkway, Suite 100, Carson City, Nevada 89706.

8 STACKED CALENDAR: Your hearing is one of several hearings that may be  
9 scheduled at the same time as part of a regular meeting of the Commission that is  
10 expected to take place on June 19-21, 2018. Thus, your hearing may be continued until  
11 later in the day or from day to day. It is your responsibility to be present when your case  
12 is called. If you are not present when your hearing is called, a default may be entered  
13 against you and the Commission may decide the case as if all allegations in the complaint  
14 were true. If you need to negotiate a more specific time for your hearing in advance  
15 because of coordination with out of state witnesses or the like, please call Samiel  
16 Williams, Commission Coordinator, at (702) 486-4606.

17 YOUR RIGHTS AT THE HEARING: Except as mentioned below, the hearing is an  
18 open meeting under Nevada's open meeting law, and may be attended by the public.  
19 After the evidence and arguments, the commission may conduct a closed meeting to  
20 discuss your alleged misconduct or professional competence. A verbatim record will be  
21 made by a certified court reporter. You are entitled to a copy of the transcript of the open  
22 and closed portions of the meeting, although you must pay for the transcription.


23 As a RESPONDENT, you are specifically informed that you have the right to  
24 appear and be heard in your defense, either personally or through your counsel of choice.  
25 At the hearing, the Division has the burden of proving the allegations in the complaint  
26 and will call witnesses and present evidence against you. You have the right to respond  
27 and to present relevant evidence and argument on all issues involved. You have the right  
28 to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses

1 on any matter relevant to the issues involved.


2 You have the right to request that the Commission issue subpoenas to compel  
3 witnesses to testify and/or evidence to be offered on your behalf. In making this request,  
4 you may be required to demonstrate the relevance of the witness's testimony and/or  
5 evidence. Other important rights and obligations, including your obligation to answer the  
6 complaint, you have are listed in NAC 116A.560 through NAC 116A.655, NRS Chapter  
7 233B, and NRS Chapters 116 and 116A and NAC 116 and 116A. Note that under NAC  
8 116A.585, not less than five (5) working days before a hearing, RESPONDENT must  
9 provide to the Division a copy of all reasonably available documents that are reasonably  
10 anticipated to be used to support his or her position, and a list of witnesses  
11 RESPONDENT intends to call at the time of the hearing. Failure to provide any  
12 document or to list a witness may result in the document or witness being excluded from  
13 RESPONDENT'S defense. The purpose of the hearing is to determine if the  
14 RESPONDENT has violated any of the provisions of NRS and NAC Chapters 116 and  
15 116A, and to determine what administrative penalty is to be assessed against  
16 RESPONDENT, if any, pursuant to NAC 116A.360.

17 DATED: April 25, 2018.

18 REAL ESTATE DIVISION,  
19 DEPARTMENT OF BUSINESS & INDUSTRY,  
20 STATE OF NEVADA

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