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

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

Petitioner,

Jeffrey Allan Frederick,

Respondent.

Case No. 2017-1573

FILED

MAR 13 2018

NEVADA COMMISSION OF MMON INTEREST COMMUNITIES AND CONDOMINIUM HOTIELS

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 March 6, 2018, at the Nevada State Business Center, 3300 W. Sahara Avenue, Nevada Room, Suite 400, Las Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry, Director's Office, 1830 East College Parkway, Suite 100, Carson City, Nevada 89706 (the "Hearing"). The RESPONDENT, JEFFREY ALLAN FREDERICK, did not appear or answer the complaint. 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").

Due to FREDERICK'S failure to appear for the Hearing or answer the complaint, the Division requested a finding of default against FREDERICK. The Commission voted unanimously to find FREDERICK in default. The Commission enters the following Findings of Fact, Conclusions of Law, and Order. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) Chapters 116 and 116A, the Commission has legal jurisdiction and authority over this matter.

FINDINGS OF FACT

Based on the Commission's finding of a default against FREDERICK for failing to

appear, the Commission accepted as true all of the following factual allegations:

- 1. This Commission revoked FREDERICK'S community manager certificate (CAM.0007580) on March 8, 2017.
- 2. At that time, FREDERICK was the only community manager employed by his company PW James Management and Consulting, LLC ("PW James").
- 3. Springfield Property Owners Association (the "Association") was managed by PW James in March of 2017 and was under investigation by the Division for underfunded reserves.
- 4. The Division sent a letter to the board members of the Association informing them of the Commission's order regarding FREDERICK.
- 5. Don Turner, who was a board member for the Association, informed the Division beginning on or about April 4, 2017 that FREDERICK asked him to sign a bank signature card for a new bank account for the Association.
- 6. FREDERICK told Mr. Turner that the Division's letter was a mistake and that PW James was still in business.
- 7. Mr. Turner received a notice in the mail that PW James merged with Harmony Management, LLC which lists the email address for the management company as info@pwjmgmt.net.
- 8. FREDERICK provided Mr. Turner with a management agreement dated April 1, 2017 to sign which shows "Harmony Management LLC/PWJames Management, LLC" as the management company.
- 9. FREDERICK also provided Mr. Turner with a check for his signature made payable to PW James for the April management fee.
 - 10. The Association did not have a board meeting in over a year.
 - 11. FREDERICK did not respond to the Division's investigation.

CONCLUSIONS OF LAW

Based on the foregoing factual findings, the Commission concludes by unanimous

vote that the following violation of law occurred: 2 FREDERICK violated NRS 116A.400(1) by engaging in the management of a common-interest community without a community manager certificate from the Division. 3 4 ORDER 5 The Commission being fully apprised in the premises, and good cause appearing to 6 the Commission, by a unanimous vote, ORDERS as follows: 7 FREDERICK shall pay an administrative fine to the Division in the total 8 amount of \$11,516.17 - which includes a fine of \$10,000 for the violations of law and 9 \$1,516.17 representing the total amount due for the Division's attorney's fees and costs -10 no later than 30 days from the date of this Order. 11 The Division may institute debt collection proceedings for failure to timely pay the total fine imposed by this Order, including action to reduce this Order to a 12 13 judgment. Further, if collection goes through the State of Nevada, then FREDERICK 14 shall also pay the costs associated with collection. Dated: March 13, 2018. 15 Commission for Common-Interest Communities 16 and Condominium Hotels, Department of Business & Industry. 17 State of Nevada 18 19 Michael Burke. Chairman 20 Submitted by: 21 ADAM PAUL LAXALT 22 Attorney General 23 24 Michelle D. Briggs Senior Deputy Attorney General 25 555 East Washington Avenue, Suite 3900 Las Vegas, Nevada 89101 26 (702) 486-3809 Attorneys for Real Estate Division 27

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