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Sharath Chandra, Administrator, Real Estate Division, Department of

Business & Industry, State of Nevada,

Villager Townhouses Association, Erica

Darke, Ellen Dauscher,

Petitioner,

Respondents.

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VS.

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

Case No. 2021-1032

NOV 0 2 2022

NEVADA COMMISSION FOR 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, Aaron D. Ford, Attorney General of the State of Nevada, and Virginia T. Tomova, Deputy Attorney General, hereby notifies RESPONDENTS VILLAGER TOWNHOUSES ASSOCIATION, ("Association"), ERICA DARKE and ELLEN DAUSCHER (collectively, "RESPONDENTS") 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 116 of the Nevada Revised Statutes ("NRS") and Chapter 116 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 RESPONDENTS pursuant to the provisions of NRS and NAC including, but not limited to, NRS 116.785 and NRS 116,790.

JURISDICTION AND NOTICE

During the relevant times mentioned in this complaint, RESPONDENTS 1. ERICA DARKE and ELLEN DAUSCHER served as board members and/or officers of VILLAGER TOWNHOUSES ASSOCIATION (the "Association"), a common-interest community located in Las Vegas, Nevada.

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the following information:

September 2021;

CICC 0001-0003.

information. Bates Nos. CICC 0001-0003.

through September 2021; and

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In that initial letter, the Division also requested that the Association provide

a. Copies of meeting minutes from January 2018 through September 2021;

b. Copies of the intermit financial statements from January 2018 through

c. Copies of all Association's accounts bank statements from January 2018

d. A copy of the most recent reserve study ("requested documents.") Bates Nos.

The Association was given until November 13, 2021, to provide the requested

- 10. The Association failed to provide the requested documents.
- 11. On or about November 24, 2021, the Division sent its second request for information to the Association. Bates Nos. CICC 0004-0006.
- 12. The Association was given until December 4, 2021 to provide the requested information. Bates Nos. CICC 0004-0006.
- 13. The Association failed again to provide the requested documents for a second time.
- 14. On or about January 7, 2022, the Division sent its third request for information to the Association. Bates Nos. CICC 0007-0009.
- 15. The Association was given until January 17, 2022 to provide the requested documents. Bates Nos. CICC 0007-0009.
 - 16. The Association failed to provide the requested documents for a third time.
- 17. On or about March 10, 2022, the Division sent its fourth request for documents to the Association. Bates Nos. CICC 0010-0012.
- 18. The fourth request for documents was sent to the RESPONDENTS and they were given until March 20, 2022, to provide the requested documents. Bates Nos. CICC 0010-0012.
- 19. The Association failed again to produce the requested documents for a fourth time.
- 20. On or about May 5, 2022, the Division sent its fifth request for requested documents to the Association. Bates Nos. CICC 0013-0015.
- 21. The Association failed to provide the requested documents for a fifth time in a row.
- 22. On or about June 3, 2022, the Division properly notified the Association and the board that it will commence a disciplinary action by filing a Complaint for a hearing before the Commission. Bates Nos. CICC 0016-0017.
- 23. No Board member provided a response to the Division regarding the allegations.

- 24. No Board member has provided the requested documents to the Division.
- 25. As of the date of filing of this complaint, the Association is not in good standing with the Division and the Secretary of State.

VIOLATIONS OF LAW

- 26. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by failing to act in good faith and in the best interests of the Association when they committed an act or omission which amounts to incompetence, negligence or gross negligence by failing to comply with Nevada law.
- 27. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(a)) by failing to act in good faith and in the best interests of the Association when they failed to cause the Association to comply with all state laws and the governing documents of the Association.
- 28. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(5)(a)) by impeding or otherwise interfering with an investigation of the Division by failing to comply with a request by the Division to provide information or documents.
- 29. RESPONDENTS violated NRS 116.3103 through NAC 116.405 by failing to submit and to file the required annual registration fees and forms for the Association with the Ombudsman's office.

DISCIPLINE AUTHORIZED

Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS 116.790 the Commission has discretion to take any or all of the following actions:

- 1. Issue an order directing RESPONDENTS to cease and desist from continuing to engage in the unlawful conduct that resulted in the violation.
- 2. Issue an order directing RESPONDENTS to take affirmative action to correct any conditions resulting from the violation.
- 3. Impose an administrative fine of up to \$1,000 for each violation by RESPONDENTS.

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- 4. IF RESPONDENTS ARE FOUND TO HAVE KNOWINGLY AND WILLFULLY COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best interest of the Association, such RESPONDENTS may be removed from his/her position as a director and/or officer.
 - 5. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.
- 6. Require RESPONDENTS to pay the costs of the proceedings incurred by the Division, including, without limitation, the cost of the investigation and reasonable attorney's fees.
- 7. Take whatever further disciplinary action as the Commission deems appropriate.

The Commission may order one or any combination of the discipline described above. If the Commission finds that the RESPONDENTS knowingly and willfully violated the provisions of NRS or NAC 116, the Commission may order that RESPONDENTS be personally liable for all fines and costs imposed.

NOTICE OF HEARING

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

THE HEARING WILL TAKE PLACE at the Commission meeting(s) scheduled for December 6 – December 8, 2022, beginning at approximately 9:00 a.m. each day, or until such time as the Commission concludes its business. The Commission meeting will be held at the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room, Las Vegas, Nevada 89102 or virtually through Webex. To join the hearing virtually, go to the website Webex.com and enter the Meeting ID and Password:

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at (702) 486-4074.

YOUR RIGHTS AT THE HEARING: Except as mentioned below, the hearing is

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an open meeting under Nevada's open meeting law, and may be attended by the public. After the evidence and arguments, the commission may conduct a closed meeting to discuss your alleged misconduct or professional competence. You are entitled to a copy of the transcript of the open and closed portions of the meeting, although you must pay for the transcription.

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

You have the right to request that the Commission issue subpoenas to compel witnesses to testify and/or evidence to be offered on your behalf. In making this request, you may be required to demonstrate the relevance of the witness' testimony and/or evidence. Other important rights and obligations, including your obligation to answer the complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC 116.635 and NRS Chapter 233B. Note that under NAC 116.575, not less than five (5) working days before a hearing, RESPONDENTS must provide to the Division a copy of all reasonably available documents that are reasonably anticipated to be used to support his position, and a list of witnesses RESPONDENTS intend to call at the time of the hearing. Failure to provide any document or to list a witness may result in the document or witness being excluded from RESPONDENTS' defense. The purpose of the hearing is to determine

1	if the RESPONDENTS have violated the provisions of NRS 116, and to determine what
2	administrative penalty is to be assessed against RESPONDENTS.
3	DATED this 🗘 day of November, 2022.
4	REAL ESTATE DIVISION,
5	DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA
6	$IAX _{AB} = IAX$
7	By: SHARATH CHANDRA, Administrator
8	3300 W. Sahara Ave., Ste 350 Las Vegas, Nevada 89102
9	(702) 486-4033
10	AARON D. FORD
11	Attorney General
12	By: /s/Virginia 7. Tomova
13	Virginia T. Tomova (Bar No. 12504) Deputy Attorney General
14	555 E. Washington Ave., Ste 3900 Las Vegas, Nevada 89101
15	(702) 486-7629 Attorneys for Real Estate Division
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