A Newsletter from the Common-Interest Communities & Condominium Hotels Program

# Community Insights

Department of Business & Industry, Real Estate Division



### **Q&A WITH NRED ADMINISTRATOR SHARATH CHANDRA**

### Nevada Real Estate Division

Sharath Chandra Administrator

**Perry Faigin** Deputy Administrator

Charvez Foger CICCH Ombudsman

Monique Williamson Editor

### Education Corner: 2 Limited Purpose Associations 2 City of Henderson 3

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While those in the CICCH industry are familiar with Ombudsman Charvez Foger, they may not know that the Ombudsman position is directly appointed by the NRED Administrator. NRED's current Administrator is Sharath Chandra, and he has been an important advocate for the Ombudsman's office. "Sharath has been crucial regarding our recent shift towards progress and innovation" Ombudsman says Foger. Administrator Chandra shares the Ombudsman's vision of implementing new interactive systems, having a user-friendly website, and providing the best customer service possible.

We asked the Administrator the following questions in order to gain a better understanding of where he believes the Division is headed in the next few years:

# Q. What are your goals/ any changes that you would like to see happen over the next two years within the Nevada Real Estate Division?

**A.** The ultimate goal for the Division is to serve our constituents to the best of our ability. In the next two years, our key areas of focus are: technology improvements (database, license portal, online renewal, electronic submissions); increasing our educational footprint; and continuing to be fiscally responsible and good stewards of taxpayer money.

# Q. What improvements have you witnessed within the Nevada Real Estate Division during your tenure?

A. The Division was very fortunate to be able to relocate to the new "Nevada Business Center." This allowed us to prioritize the customer service aspect of the Division, allowing constituents a comfortable and safe environment to access Division services and interact with staff. It also gave us the ability to utilize the meeting rooms for education, training and hold the quarterly Commission meetings. We have been very fortunate to hire and retain some amazing employees. Empowering our employees to improve, change and introduce new programs has been the key to our success. It is never easy coming from an economic downturn where budgets, positions and services were slashed, to a big economic revival where license counts are up 35%, demand for services have doubled and housing growth has returned. I am most proud of how the Division has been able to step up and provide all these services without any increase in staffing or budgets.

### Q. What has been the biggest challenge of overseeing such a diverse State agency?

A. Managing a State agency is a responsibility that I take very seriously and am very grateful for. There are always opportunities and challenges when you have over 40,000 licensees, 3,600 homeowner's associations, 9 Chapters of Law and Regulation, 3 Commissions, a Biennium Legislature and both a General and Self-funded budget to manage. The one thing I tell my coworkers and staff is that we only have one chance to get it right. Everything we do directly affects our licensees and constituents. Any policy, rule, opinion or decision that the Division makes has to be done with the utmost diligence and consideration for all our constituents.

#### Q. Are there any programs that you would like to implement which specifically impact the CIC/HOA industry in Nevada?

**A.** We are very excited to get a new Training Officer who will provide further outreach to our CIC partners, HOA Boards and homeowners in Northern Nevada. Technology is going to be a key driver in how we deliver services in the future. Education, Licensing, and Training are all areas that will see changes and improvements. The Office of the Ombudsman will always be a resource for homeowners and we will continue to improve our website, the information we distribute and programs we offer.

**Community Insights** 



### **EDUCATION CORNER**

### WHAT ARE LIMITED PURPOSE ASSOCIATIONS (LPAs)?

As defined by NRS <u>116.1201(6)</u>, Limited-Purpose Associations (LPAs) are associations created for the limited purpose of maintaining either:

- The <u>landscape of the common elements</u> of a commoninterest community;
- <u>Facilities for flood control</u> as defined in <u>NAC 116.090</u> (2); or
- A <u>rural agricultural residential</u> common-interest community as defined in <u>NAC 116.090(3)</u> [exclusions not discussed in this article].

Chapter 116 does NOT apply to LPAs, EXCEPT that such associations:

- Shall pay the fees required pursuant to <u>NRS</u> <u>116.31155</u>; a per unit fee paid timely with annual registration to the NRED-CIC program;
- Shall register with the Ombudsman pursuant to <u>NRS</u> <u>116.31158</u> using Form 562; and
- Shall comply with the provisions of:
  - <u>NRS 116.31038</u>, regarding delivery to the association of property held or controlled by the declarant;
  - <u>NRS 116.31083</u>, outlining the requirements for meetings of the executive board;
  - <u>NRS 116.31152</u>, regarding conducting a study of the reserves;
  - <u>NRS 116.31073</u>, regarding the maintenance, repair, restoration and replacement of security walls if the association is created for maintaining the landscape of the common elements; and
  - <u>NRS 116.4101 to 116.412</u>, regarding the protection of purchasers, as required by regulations adopted by the Commission.

One thing that most LPAs have in common is that they are NOT authorized by the governing documents to enforce any restrictions concerning the use of units by units' owners. So while unit owners living in LPAs can expect to pay assessments for the maintenance and upkeep of common elements, they cannot be fined or otherwise sanctioned by the association for the upkeep of, or any change made to their individual unit. LMAs (Landscape Maintenance Associations), are LPAs created for the limited purpose of maintaining the community's *landscaping* and have the *sole* purpose of *specifically* maintaining:

- <u>Landscaping</u>, such as trees, shrubs, grass and other ornamentation, natural or artificial, located on the perimeter of a development or subdivision or a median strip on the perimeter of a development or subdivision, including the drainage necessary for the maintenance of such landscaping;
- <u>Public lighting</u>, used to light a street, sidewalk or other place used for a public purpose;
- <u>Security walls</u>, (as identified in a recorded map) constructed around the perimeter of a residential subdivision to protect any tracts within the subdivision and their occupants from vandalism; or
- <u>Trails</u>, <u>parks</u> and <u>open space</u> which provide a substantial public benefit or are required by the city or county for the primary use of the public.

The declaration of covenants, conditions and restrictions (CC&Rs) of an LMA should clearly state that the association has been created as a "landscape maintenance association" and include language expressly **prohibiting**:

- The association from enforcing a "use restriction" against a unit's owner; defined as any provision of the governing documents that restricts a unit's owner in the use of his or her unit. Note: a unit owner may still independently pursue action against another unit's owner regarding the use of their unit within an LMA through civil action;
- The association from adopting any rules or regulations concerning the enforcement of a use restriction against a unit's owner; and
- The imposition of a fine or any other penalty against a unit's owner for a violation of a use restriction.

When it comes to any LPA, it is important to note that laws, regulations, codes, etc. dictating use restrictions and dictating the use of public roads, streets, alleys or other thoroughfare in the community still apply to unit owners within the association, but these restrictions can only be enforced by entities other than the association itself.

### **HENDERSON SHORT-TERM RENTALS**



On July 16, 2019, the City of Henderson City Council adopted ordinances for the operation of short-term vacation rentals (rentals

from two nights to 30 consecutive calendar days).

Effective October 14, 2019, any short-term vacation rental intending to operate within the City of Henderson must register with the city and a corresponding fee of <u>\$820</u> must be paid for *each* property used as such. This fee shall be paid **annually** from the date the registration is approved. Registration is not transferrable and is only valid for the property owner at the time of issuance. Once the property is sold, the registration will be automatically terminated.

Short-term vacation rental property owners will have a 30 -day grace period from October 14, 2019 to register their property with the City of Henderson. After November 13, 2019, any short-term rental located within the city limits which lacks a City of Henderson Registration Number in its advertisement will be subject to enforcement procedures. City staff will be scanning numerous advertising sites and will have a hotline in place for the public to report any violations or complaints.

For those intending to rent their property on a short-term basis, a short-term vacation rental **certification** must also be obtained through a City of Henderson approved class. Two-day courses are currently being offered through the College of Southern Nevada for <u>\$225</u>, plus a <u>\$75</u> curriculum fee.

Every operator of a unit used for transient lodging in the City of Henderson shall, in addition to all other taxes imposed by law, pay the following <u>transient lodging</u> <u>taxes on a monthly basis</u> (required by <u>Title 4.48</u> of the Henderson Municipal Code), based on the total rental revenue received:

A). Convention and visitors authority transient lodging tax of 4%;

B). City of Henderson transient lodging tax of 2%;

C). Tourism and school district fund transient lodging tax of 2%;

D). Transportation district transient lodging tax of 1%;

E). State education transient lodging tax of 3%; and

F). A one-half of one percent tax for the Clark County stadium district.

This new short-term vacation rental ordinance does not alter the ability of common-interest communities to prohibit short-term vacation rentals through their governing documents and to enforce specific regulations pertaining to rentals within their community. NRS 116.340 states that a person who owns a unit within a planned community restricted to residential use by the declaration may use that unit as a short-term rental if the governing documents of the association and any master association do not prohibit such use (if not under a master, the board must also approve the use). The unit must also be properly **zoned** for the use and any **license** required by the local government must be obtained. The association may additionally establish requirements for such use of a unit, including the payment of additional fees related to any increase in services or other costs associated with the transient commercial use within the community.

Prior to registering, the city's ordinance requires applicants to *certify in writing* that operation of a shortterm vacation rental would not violate their association's CC&Rs, bylaws, or other agreements governing the use of their property. In the event that a dispute arises between a homeowner and his/her HOA regarding whether a short-term vacation rental is permitted, the HOA can obtain a judicial order as proof of the prohibition. Upon receipt of that proof, the City of Henderson would either disallow a homeowner in that community to register the unit for transient use, or, if a property has already been registered in violation of the judicial order, the City can revoke that registration.

For additional information regarding this ordinance or to see a list of 'frequently asked questions,' please visit <u>https://www.cityofhenderson.com/community-</u>

<u>development/short-term-vacation-rentals</u>. Specific questions regarding this new ordinance should be directed to the City of Henderson's Community Development and Services—Current Planning Department at (702)-267-1500 or via email at planner@cityofhenderson.com.



### **TRUE OR FALSE — RECORDS**

1. When making a public records request through the Division, the requester can expect to receive a copy of any files compiled by the Division pertaining to alleged violations.

2. A board member can be excluded from seeing certain records of the association depending on his or her officer title.

3. A unit owner can ask to see a copy of the signed contract/agreement between the association and Community Manager.

4. Unit owners can make a copy of any <u>financial records</u> not required to be sent to them.

- 5. Information compiled by a Division investigator while working a complaint is considered confidential, not the written complaint itself, nor the information filed with it.
- 6. A unit owner may not be permitted to see certain records filed with a court relating to a civil or criminal action to which the association is a party.
- 7. A person offering to serve as a member of the executive board who is not the record owner of a unit is automatically ineligible to be a candidate for the board.
- 8. Books, records and other papers of the association must be maintained at a designated business location not to exceed 60 miles from the physical location of the common-interest community.
- 9. The association must maintain a record of violations containing a general description of the nature of violations committed, the type of sanction imposed and any corresponding fine or penalty amounts.
- 10. Unit owners may not be privy to certain documents governed by the privilege set forth in <u>NRS 49.035 to 49.115</u>.

### ANSWER KEY

- 1. False—<u>NAC 116.500</u> & <u>NAC 116A.510</u>; "the Division may refuse to make public, unless ordered to do so by a court, files compiled by the Division while investigating possible violations [of law]."
- 2. False—<u>NRS 116.3103;</u> "In the performance of their duties, officers and members of the executive board shall act on an informed basis..." <u>NRS 116.3109</u>; "the affirmative vote of a majority of the members present is the act of the executive board..."
- 3. True—NRS 116.31175(1)(d)
- 4. True—<u>NRS 116.3118(2)(b)</u>
- 5. False-<u>NRS 116.757(1);</u> "a written affidavit filed with the Division, all documents filed with the written affidavit, and all documents and
- other information compiled as a result of the affidavit are confidential [excluding information to be considered by the Commission]." 6. False—<u>NRS 116.31175(1)(d)</u>
- 7. False—<u>NRS 116.31034(14);</u> In all events where the person serving or offering to serve as an officer of the association or a member of the
- executive board is not the record owner, the person shall file proof of ownership in the records of the association.
- 8. True—<u>NRS 116.31175(1)</u>
- 9. True—<u>NRS 116.31175(5)(a)</u>
- 10. True—<u>NRS 49.105;</u> "privilege may be claimed by the client or representative of an association, or the lawyer at the time of communication."

### **OMBUDSMAN INFORMATION - July through September 2019**

Total Associations Registered in the State of Nevada	3,370
Complaints Received	120
Alternative Dispute Resolution (ADR) Filings	98
Associations Reviewed for Audit	60
Records Requests Processed	2
Training Sessions Conducted	23
Classroom Attendees	361

Main Page: <u>http://red.nv.gov/</u>

All forms can be found at: <u>http://red.nv.gov/Content/Forms/All/</u>

Class calendars can be found at: <u>http://red.nv.gov/Content/CIC/</u> <u>Program\_Training/;</u> and

http://red.nv.gov/Content/Education/ Calendars/CIC/

If you have any questions, please email: <u>CICOmbudsman@red.nv.gov</u>

### **IS IT THE MANAGER OR THE BOARD?**

For a unit owner unfamiliar with the organization of a CIC, it can become confusing as to who is specifically responsible for what.

**Board directors** are unit owners who are democratically elected or appointed to the board and designated by the declaration to act on behalf of the association. They have the powers afforded to them pursuant to NRS 116.3102 and the association's bylaws, which specify their duties as well as what may be delegated to the community manager if they choose to hire one.

**Community managers** are bound by the standards of practice outlined in <u>NRS 116A.630</u> as well as the duties and fees/charges stated in the management agreement. They are required to comply with lawful directions of the board and are expected to guide the board and help keep them compliant with all laws and governing documents of the association. They have no voting authority.

**Both** board members and community managers are required to act within the scope of authority granted to them and act as fiduciaries in their relationship with the association. They should not be susceptible to bribery, engage in retaliatory actions and must disclose certain information. They are expected to exercise ordinary and reasonable care in the performance of their duties and comply with all applicable laws, regulations, ordinances and lawful provisions of the governing documents.

	EXECUTIVE BOARD	COMMUNITY MANAGER
ENFORCING THE GOVERNING DOCUMENTS	Determines whether to take enforcement action regarding violations of the governing documents, including unpaid assessments. Discretion must be applied uniformly, based on facts and circumstances.	Under the direction of the board, uniformly enforces provisions of the governing documents. Cannot refuse to accept payment from a unit owner or apply an assessment payment towards any fine, fee or other charge due.
RECORDS OF THE ASSOCIATION	Upon written request, makes available to unit owners and the Division the books, records and other papers of the association. Maintains current, accurate and properly documented financial records and makes them available for inspection.	Dependent on the management agreement, acts as the custodian of records, and upon written request, makes the financial and other records of the association available to units' owners and the Division.
COLLECTION POLICY	Adopts and fairly enforces the collection policies of the association.	Develops written collection policies and provides timely updates/reports as necessary.
MEETINGS	Holds meetings with such frequency as to properly and efficiently address the affairs of the association. Has voting power and decision making authority.	May perform functions as outlined in the management agreement. Has no voting power or decision making authority.
USING EXPERTS	Consults with appropriate professionals as necessary before making any major decision affecting the association.	Advises a client to obtain advice from independent experts relating to matters beyond their expertise/ license.
BIDS	Obtains, when practicable, at least three bids from reputable service providers who possess the proper licensing before purchasing any such service.	Obtains, when practicable, at least three qualified bids for any capital improvement project for the association.
CONFIDENTIAL INFORMATION	Except as otherwise required by law or court order, cannot disclose confidential information relating to a unit owner, board member, employee or agent, unless the disclosure is consented to.	Except as otherwise required by law or court order, cannot disclose confidential information relating to the association unless the disclosure is consented to.
FINANCIAL REPORTING	Establishes policies and procedures designed to provide reasonable assurances in the reliability of financial reporting, including proper maintenance of accounting records, documentation of the authorization for receipts and disbursements, verification of the integrity of the data used in making business decisions, facilitation of fraud detection and prevention, and compliance with applicable laws and regulations.	Ensures that there are established policies and procedures designed to provide reasonable assurances in the reliability of financial reporting. Maintains internal accounting controls, including segregation of incompatible accounting functions. At all times ensures that the financial transactions of a client are current, accurate and properly documented.
ASSOCIATION FUNDS	Adopts budgets, ratified by the unit's owners, and determines assessments based on expenses. Deposits all funds of the association for investment in appropriate accounts. Ensures that any institution which holds money of the association is properly authorized in accordance with <u>NRS 116.311395</u> . Causes a reserve study to be conducted at least every 5 years. At least annually, reviews/adjusts funding.	Maintains/invests association funds in a financial institution whose accounts are properly insured. Ensures that the board develops and approves written investment policies and procedures. Maintains various funds of the association in the name of the association and ensures that the association is authorized to have direct access to those accounts. Keeps accounts separate.

### **LEGISLATIVE BILLS EFFECTIVE OCTOBER 1**

#### <u>AB 161 – Pets</u>

An original declaration and any governing document prohibiting pets prior to the effective date of this bill may still prohibit pets. Associations with governing documents that permit pets cannot amend those documents to prohibit an owner from keeping at least one pet. The association may adopt reasonable restrictions on the ownership of pets, i.e. disallowing a dangerous or vicious dog as defined in NRS 202.500. An association cannot, through a change to the governing documents, require a current owner to reduce the number of pets if the pets were previously permitted. "Pet" means any domesticated bird, cat, dog or aquatic animal kept within an aquarium or other animal as agreed upon by the association and the unit's owner.

#### AB 421 – Constructional Defects

<u>NRS 116.3102(1)</u> has been amended to state that, subject to the provisions of the declaration, an association may institute, defend or intervene in litigation, arbitration, mediation or administrative proceedings on behalf of itself or units' owners with respect to an action for a constructional defect if the action pertains not just to common elements, but to any portion of the commoninterest community that the association owns or has an obligation to maintain, repair, insure or replace.

#### SB 117 – Discriminatory Restrictions

Any provision in a written instrument relating to real property which forbids or restricts the use, conveyance, encumbrance, leasing or mortgaging of such property to any person based on race, color, religion, ancestry, national origin, disability, familial status, sex, sexual orientation, or gender identity or expression is unenforceable. An association with such language may now record a form prescribed by the Division (Form <u>655</u>) declaring the provisions void.

#### <u>SB 382 – Real Property</u>

Clarifies the applicability of Chapter 116 to non-residential associations.

Clarifies that the association does not need to provide a written statement, including an estimate of the costs, explanation of potential benefits/ adverse consequences, and disclosures required for resale, to unit owners at least ten days before it commences or seeks to ratify the commencement of a civil action for which unit owners are not entitled to vote pursuant to <u>NRS 116.31088(1)</u>. Unit owners can still request to see such records from the association.

An amendment to the governing documents may now *change the uses* to which any unit is restricted *absent unanimous consent* of those units' owners whose units are affected. An amendment to the declaration which prohibits or materially restricts the permitted uses of a unit, however, may not be enforced against a current owner of the unit.

**NOTE:** SB 212 regarding **towing** in a residential complex amends language in NRS 706 pertaining to the regulation and licensing of motor carriers. It does not impact NRS 116 pertaining to common-interest communities.

For associations looking for guidance regarding towing, they must comply with <u>NRS 116.3102(1)</u> (s), which states that "in addition to complying with the requirements of <u>NRS 487.038</u> and any requirements in the governing documents, if a vehicle is improperly parked as described in this paragraph, the association must post written **notice** in a conspicuous place on the vehicle or provide oral or written notice to the owner or operator of the vehicle <u>at least</u> 48 hours <u>before</u> the association may <u>direct the removal</u>..." As long as it does not conflict with this provision, an executive board may choose to create a rule which clarifies the towing process for unit owners. 

### WHAT HAPPENED AT COMMISSION?

NAME	ALLEGATIONS/ VIOLATIONS	DISCIPLINARY ACTIONS
NRED v. Sierra Ranchos	Respondent violated NRS 116.31153(2) by allowing a former	Respondent Sabrina Brin shall resign from the associa-
Property Owners Association	board member and the association's hired bookkeeper to sign	tion's board immediately and shall not serve as an officer
Case No. 2018-1663	over 160 association checks. The bookkeeper performed the services of community manager without a license, including	or director for any CIC in Nevada for a period of no less than 10 years.
Type of Respondent: Board	signing checks, preparing financial statements and delinquen-	Respondent Tony Boggs shall be immediately removed
<u>of Directors; Sabrina Brin,</u> Tony Boggs, Greg Mayer	cy reports, participating in board meetings, preparing resale	from the board of directors and shall not serve on the
Tony Boggs, Greg mayer	packages, and being the custodian of records. The association transferred all of its reserve money to its operating account.	board of any CIC in Nevada for no less than 10 years, but in no event sooner than all provisions of the Order are
	The association employed a homeowner to perform road	satisfied. Boggs shall turnover to the association its water
	grading services and maintenance without a license.	truck and roller with all accompanying materials and parts
	Respondents violated NRS 116.3103 (through NAC 116.405	within 7 days. Boggs, for non-response to the Division,
	(3)) by failing to act in good faith and in the best interests of the association by committing multiple acts or omissions	shall pay an administrative fine totaling \$3,305.21 representing the amount due for the Division's attorney's
	which amount to incompetence, negligence or gross	fees and costs within 90 days. The Division may institute
	negligence. Respondents violated NRS 116.3103 (through	debt collection proceedings for failure to pay timely.
	NAC 116.405(8)) by: failing to keep informed of laws, regulations and developments relating to common-interest	The association shall: hold an election for all board seats within 90 days; hire and maintain a community manager
	communities; failing to obtain bids from service providers	for no less than 5 years from the date of this Order, in no
	who possess the proper licensing; failing to consult with	event prior to the reserve account being adequately
	appropriate professionals as necessary before making any	funded; provide a funding plan for the reserves to the
	major decision affecting the common elements; failing to maintain current, accurate and properly documented financial	Division within 180 days; place money received as a result of the settlement of Case No. 2018-1488 (Joy Marvin) in
	records; and failing to prepare interim and annual financial	its reserve account; only hire licensed individuals; and
	statements that will allow the Division, the executive board,	only allow authorized individuals to sign checks. For the
	and the units' owners to determine whether the financial position of the association is fairly presented in accordance	next two years, each board member shall take 6 hours of education offered by the Division within 1 year of
	with the provisions of NAC 116.451.	becoming a board member.
NRED vs. Joy Marvin	Respondent Joy Marvin violated NRS 116A.400(1) by	Respondent Joy Marvin shall cease and desist from
<u>Case No. 2018-1488</u> Type of Respondent:	engaging in the management of a common-interest community	providing bookkeeping and other services to the
Employee of the	without a community manager certificate from the Division. Respondent is subject to the provisions of Chapters 116 and	association and shall immediately turn over all documents, records and other property. Respondent shall pay to the
Association	116A of both NRS and NAC, the jurisdiction of the Division,	association \$2,500 by making payments in the amount of
	and the Commission for Common Interest Communities and	no less than \$312.50 on the first of each month (late fees
	Condominium Hotels.	apply). Any payment or late fee more than 60 days delinquent, shall constitute a default of the Order.
NRED vs. Sierra Ranchos	Respondent Roger Seifert violated a 2016 Commission Order	Respondent Roger Seifert agrees to not serve as an officer
Property Owners and	to step down from the board for 5 years, as evidenced by his	or director for any CIC in Nevada for a period of no less
Roger Seifert Case No. 2018-1489	signature on a check sent to the Division along with a 2017 annual association filing. The association's bank records show	than 10 years, in addition to the previously agreed to 5 years, culminating after June 9, 2031. Respondent agrees
Type of Respondent:	Seifert signed approximately 147 association checks after the	that by entering into the Stipulation and Order, he is
Previous Board Member	Order was filed in 2016. Respondent violated NRS 116.31153	waiving his right to a hearing and any other corresponding
NRED vs. Greenridge	(2) by signing checks while not a board member.	rights.
Homeowners Association	Respondent failed to submit a reserve study summary form to the Division. The Division initiated an audit of the records and	Respondent Diane Leyva shall resign from the board immediately and shall not serve as an officer or director
Case No. 2018-993	discovered that the association: could not provide a balance	for any CIC in Nevada for a period of no less than 10
<u>Type of Respondent: Board</u> of Directors; Leslie	sheet, income statement, or general ledger; had not had a	years from the date of the Order, in no event prior to
Holland, Diane Leyva,	reserve study conducted since 2010; funded the reserves at approximately 14%; made no reserve contributions from 2015	completion of the payments agreed to be paid to the association. Ms. Leyva shall reimburse the association the
Joshua Schaper, Carline	through 2018; did not increase assessments since 2009.	sum of \$1,560 to be paid in monthly installments of no
<u>Roks, Dave Reid and Janet</u> Meyers	Respondent Leyva's husband is a vendor for the association	less than \$50. A late fee of \$10 shall be applied to any
	and she was not paying assessments. Respondents violated NRS 116.31152 by failing to have a reserve study conducted	payment made after the 15th of each month. Any payment or late fee more than 60 days delinquent shall constitute a
	once every five years and failing to adequately fund the	default of the Stipulation and Order. Respondent agrees
	reserves, and NRS 116.3103 through NAC 116.405 by failing	that by entering into the Stipulation and Order, she is
	to act in good faith and in the best interest of the association when failing to: comply with all state laws and requests from	waiving her right to a hearing and any other corresponding rights.
	the Division; prepare/maintain current and accurate financial/	11 <u>8</u> 110.
	accounting records; and prevent a board member from serving	
NDED va Creere D	when they stood to gain personal profit or compensation.	Demondent Crossen Demondulla
NRED vs. Gregory Brimm Case No. 2018-1380	Respondent is the owner and manager of Ponderosa Property Maintenance in Incline Village, Nevada. Ponderosa entered	Respondent Gregory Brimm shall pay an administrative fine to the Division totaling \$12,500.59 (\$10,000 for
Type of Respondent:	into a management contract with an association stating that	violation of law and \$2,500.59 for the Division's attorneys
<u>Uncertified Community</u> <u>Manager</u>	Brimm is to provide management services to the association.	fees and costs) within 90 days.
<u>munuger</u>	Brimm does not hold a community manager certificate from the Division. Brimm violated NRS 116A.400(1) by engaging	Actions/Decisions
	in the management of a CIC without a certificate.	Acts of the Commission for Common-Interest Communities and Condominium Hotels are not published until after the 30-
	Allegations/Stipulations	day period allowed for filing under Judicial Review. If a stay
Porto 7	Stipulations occur when both the respondent and the Division have	on discipline is issued by the court, the matter is not published
Page 7	agreed to conditions reviewed and accepted by both sides. A stipulation may or may not be an admission of guilt.	until the final outcome of the review.
	supulation may or may not be an aumission of guilt.	

#### **Community Insights**

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#### Nevada Real Estate Division Mission

To protect the public and Nevada's real estate sectors by fairly and effectively regulating real estate professionals through licensure, registration, education and enforcement.

#### Office of the Ombudsman Mission

To provide a neutral and fair venue to assist homeowners, board members and community managers in handling issues that may arise while living in a commoninterest community or condominium hotel.

#### Community Insights is an official publication of the

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY Michael J. Brown Director

> REAL ESTATE DIVISION Sharath Chandra Administrator

Perry Faigin Deputy Administrator

COMMON-INTEREST COMMUNITIES & CONDOMINIUM HOTELS Office of the Ombudsman Charvez Foger Ombudsman

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Doris Woods, Commissioner Homeowner Member

Ken Williams, Commissioner Community Manager Member

### 2019 CIC COMMISSION MEETINGS December 3-5, 2019

Further details located at: http://red.nv.gov/Content/Meetings/CIC Calendar/

#### Our office will be closed:

*Nevada Day* October 25, 2019

Veteran's Day November 11, 2019

Thanksgiving Day/Family Day November 28-29, 2019

> *Christmas Day* December 25, 2019

New Year's Day January 1, 2020

