

Introducing the Office of the Ombudsman

Nevada Real Estate Division

*Presented by the Training Officer; Office of the
Ombudsman for Owners in Common-Interest
Communities and Condominium Hotels Program*

Introduction

- The Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels (CICCH) was created by the Nevada State Legislature in 1997.
- The office was created to assist homeowners and board members in understanding their rights and obligations under the law that governs common-interest communities (CICs) in the State of Nevada (NRS & NAC 116).
- The scope of the Office was broadened in 1999 by requiring the compilation of a database (including names, addresses, phone numbers, units, annual assessments, reserve study summaries, etc.) for all registered associations, which the Office still maintains.
 - Associations have to register with the Office each year and submit a payment of \$4.25 for each unit located in the community.

Mission of the Office

- The mission of the Office of the Ombudsman is to provide a neutral and fair venue to assist homeowners in handling matters that may arise while living in a common-interest community.
- “Common-interest community” means real estate described in a declaration of CC&Rs which a person, by virtue of the person’s ownership of a unit in that community, is obligated to pay for a share of real estate taxes, insurance premiums, maintenance or improvement of, or other services and expenses related to common elements of that community.

Duties of the Office

- **The Office of the Ombudsman:**
 - Assists homeowners, board members and community managers in understanding their rights and responsibilities as set forth in the law and governing documents of their associations through **training** and **outreach**;
 - Assists in processing claims submitted to mediation through the **ADR process**; and
 - **Investigates** alleged violations of NRS and NAC 116, 116A, and 116B; and
 - **Processes** and maintains required Division forms and payments.

Training Program

for board members & unit owners.

- The Office of the Ombudsman creates informative educational materials regarding the rights and responsibilities of those living and working within CICs in the State of Nevada.
- Educational materials such as: flowcharts, presentations, quick reference guides, brochures and calendars of upcoming classes, including those for continuing education, can all be found through the main page at www.red.nv.gov/Content/CIC/Main/.
- All training conducted by the Office is free of charge, and *specific* training can be presented to individual communities upon request by submitting the Training Request Form at <http://red.nv.gov/trainingrequest/>.

Sponsored Education

- For those sponsors interested in creating and submitting for approval courses specifically designed to enhance or further the education of community managers, necessary forms can be found by visiting http://red.nv.gov/Content/Forms/CIC_Education/.

ADR Program

- This Office cannot provide legal advice or investigate violations of only the association's governing documents.
- When there is a disagreement between homeowners and their CIC concerning only the interpretation, application or enforcement of their association's governing documents (CC&Rs, bylaws, rules and regulations) or the methods used to change assessment amounts, the homeowner can choose to use the **Alternative Dispute Resolution (ADR)** process by filing a claim, which the Division facilitates.
- ADR is required before parties involved in an association dispute may file a civil action in court.

ADR Continued

- Depending on the path participants choose, an ADR case will be assigned to either a Referee (licensed attorney) or Mediator for resolution.
- Referees render a decision based on evidence provided that is nonbinding until confirmed in court within one (1) year.
- Following mediation, if both parties agree, they can sign a binding written agreement that may be enforced in court. Mediation may be subsidized up to \$250.00 for each party using [Form 668](#).
- For limitations regarding eligibility to receive subsidy, please refer to the ADR Overview Form, [Form 523](#), found at http://www.red.nv.gov/Content/Forms/Alternative_Dispute_Resolution/, and see page three (3) for specific subsidy requirements.
- A \$50.00 non-refundable filing fee payable to "NRED" either by check, money order or cash must be paid by both the claimant ([Form 520](#)) and respondent ([Form 521](#)). If the respondent fails to respond, the case will be closed as 'unsuccessful' and the claimant can pursue the matter in court.

Investigative Process

- The Office of the Ombudsman for CICs is tasked with receiving complaints on [Form 530](#) regarding violations of CIC law from those owning, renting and working in associations within Nevada.
- A complaint can be filed with our Office:
 - BY any aggrieved party within one (1) year of 'reasonable discovery' of an alleged violation;
 - AGAINST any association: declarant, officer, employee, board member, community manager (use [Form 514a](#)), or reserve study specialist (use [Form 514b](#)).

Investigative Process, Cont'd

- Once the appropriate complaint form is received, any allegations listed will be initially investigated and the Ombudsman will determine whether the dispute should be informally conferenced or further investigated for a violation of law.
- If a complaint can be conferenced, both parties are invited to sit down with a neutral third party from the Office to hopefully facilitate a resolution.
- If a complaint is sent to Compliance to be further investigated for violations of law: a letter of instruction; a letter demanding compliance; a referral to the CIC Commission for disciplinary action; or, if allegations cannot be substantiated, a letter stating that the case is closed will be sent to the complaining party.
- Any complaint filed against a licensee will be sent immediately to Compliance, without an opportunity to mediate with Office staff.

Forms Processing

- For CICs registered within the State of Nevada, Ombudsman staff receive and process the following forms, with applicable fees:

Form No.	Form Name
603	Initial Registration
562	Annual Registration
623	Registration Filing Addendum
646	Association Name Change
609	Reserve Study Summary

- For a list of active Nevada associations, you can complete and submit a Public Records Request using [Form 900](#).

Summary

- While Ombudsman staff cannot provide legal advice, they can point the public to areas of NRS or NAC 116 that may pertain to their specific CIC situation (see reference materials located on our main page at <http://red.nv.gov/Content/CIC/Main/>).
- Using the language of the law, the Office of the Ombudsman hopes to lead CICs down a path of education, compliance and peaceful resolution when necessary, and serve as an informational point of contact for unit owners, board members, community managers and anyone with questions and concerns regarding their CIC.

Conclusion

- An email can be sent to CICOmbudsman@red.nv.gov with any questions about owning or residing in a CIC within Nevada, and you can visit the CICCH webpage for educational materials, video tutorials, presentations, brochures, manuals, or to sign up for free training presented by the Ombudsman's Office.

Questions?

- <http://red.nv.gov/> - Main Page
- CICOmbudsman@red.nv.gov – Email Questions
- http://red.nv.gov/Content/CIC/Program_Training/ - Training Classes
- (702) 486-4480 – Main Number