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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.

Petitioner.

vs.

Rosario Orozco.

Respondent.

Case Nos. 2014-3723 and 2014-3453

FILED

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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 9, 2017, at the Henderson City Hall, Council Chambers, 240 South Water Street, Henderson, Nevada 89015 (the "Hearing"). The Respondent, Rosario Orozco, appeared through her attorney, Steven Scow, Esq. 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"). Commissioners Sibley and Breslow did not attend the Hearing.

After hearing the allegations, the respective arguments, and having considered the evidence introduced by the parties and being fully advised, 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

The parties stipulated to the admission of the following facts:

- 1. RESPONDENT was at all relevant times mentioned in this complaint and currently holds a community manager certificate from the Division under certificate number CAM.0007435.
- 2. During the time RESPONDENT has held her community manager certificate, she has worked for First Service Residential Nevada, LLC which provides community manager services to Vistana Condominium Owners Association (the "Association") located in Las Vegas, Nevada.
 - 3. RESPONDENT works on-site for the Association.
- 4. In September 2014, the Division received two statements of fact filed by different complainants against RESPONDENT based on similar facts and circumstances.
- 5. The complaints allege that their vehicles were towed within the Association during a repaying project.
- 6. Both complainants talked to RESPONDENT about the location of their vehicles after realizing their vehicles were towed.
- 7. RESPONDENT told the complainants they needed to pay \$275, and she would tell them where their vehicles were.
- 8. One complainant was able to negotiate the cost down to \$75 after bargaining with RESPONDENT. When he was walking to the bank to get the money, he found his vehicle in the parking lot and took it back.
- 9. The other complainant, Rio Radice, paid \$275 by money order to RESPONDENT; and in exchange RESPONDENT informed Ms. Radice her vehicle was a few hundred feet away.
- 10. Ms. Radice also filed a complaint with the Nevada Transportation Authority against Quality Towing.
 - 11. The Division opened two separate cases against RESPONDENT and

requested a response from RESPONDENT by letters dated October 3 and October 6, 2014.

- 12. RESPONDENT failed to respond to the first letter sent for both cases, so the Division sent a second letter for both cases advising RESPONDENT that it was the second request for a response for both cases.
 - 13. The second letters were dated November 6, 2014.
- 14. By February 2015, RESPONDENT still had not responded to any of the four Division letters.
- 15. As of February 1, 2015, RESPONDENT'S community manager certificate was expired as not renewed even though she continued to work for the Association.
- 16. The Division imposed a \$1,000 administrative fine against RESPONDENT for each of the two cases for her failure to cooperate and for impeding the investigation by failing to provide requested documents.
- 17. By letter dated February 24, 2015, RESPONDENT disputed the administrative fines imposed saying the board responded to the Division, and she provided tow company documents regarding the towing of vehicles.
- 18. The documents provided by RESPONDENT show the Association was charged \$75 per vehicle and multiple tows were performed from August 13 through August 27, 2014.
- 19. RESPONDENT failed to provide all the records requested by the Division, and RESPONDENT did not submit a sworn affidavit regarding the allegations against her.
- 20. The Division requested a response from the Association's board members, but did not receive an adequate response.
- 21. By letter dated April 14, 2015, the Division informed RESPONDENT that she was performing the services of a community manager while her certificate was expired due to her failure to renew it.

- 22. RESPONDENT provided a sworn affidavit in response saying she was wrong not to renew her certificate and claimed she was not acting as a community manager even though she was working for the Association and her name appeared on Association correspondence while her certificate was inactive.
 - 23. RESPONDENT'S certificate was reinstated on April 24, 2015.
- 24. The NTA investigation revealed 84 vehicles were towed within the Association and Quality Towing charged the Association \$75 per tow.
- 25. According to meeting minutes from a board meeting in August of 2015, RESPONDENT informed the board that 30 vehicles had been towed for the resurfacing project in 2014, and the Association collected a total of \$4,375 which was placed in the Association's operating account.
- 26. The Division received a copy of the minutes through a separate investigation.
- 27. By letter dated February 10, 2016 to RESPONDENT, the Division requested additional documentation for the investigation including board meeting minutes for 2014 and 2015, audio for the meetings in 2014, and documentation regarding the names of those owners or residents who paid towing fees and the amount they paid.
 - 28. RESPONDENT did not respond.
- 29. By letter dated April 4, 2016, the Division notified RESPONDENT that this matter would proceed to hearing before the Commission.
- 30. RESPONDENT provided a sworn affidavit dated April 15, 2016 saying the board agreed "to have the additional \$200 assessed to the vehicle owner as a violation."
- 31. RESPONDENT claims she advised the board that they had to go through the hearing process, "but they knew there was no way they would get their fines, if they went through the hearing process."
- 32. RESPONDENT provided copies of notices allegedly provided to owners and residents, but she does not say a sign was posted on the property and the notices do not

 state the telephone number of the police department as required by NRS 487.038.

33. RESPONDENT did not provide the documents requested in the letter dated February 10, 2016; and she did not provide all the documents requested when the investigation began in October 2014.

CONCLUSIONS OF LAW

Based on the foregoing factual findings, the Commission concludes by unanimous vote that the following violations of law occurred:

- 34. RESPONDENT violated NAC 116A.345(2)(a) by impeding or otherwise interfering with an investigation of the Division by failing to comply with a request by the Division to provide documents.
- 35. RESPONDENT violated 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 the Association.
- 36. RESPONDENT violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(a)(3)) by committing unprofessional conduct by failing to comply with NRS 116.3102(1)(s) by directing the removal of vehicles in the Association without complying with NRS 487.038.
- 37. RESPONDENT violated NAC 116A.355(1)(a)(1) (through NAC 116A.355(2)(a)(3)) by committing unprofessional conduct by failing to comply with NRS 116 by imposing fines, including negotiating the amount of the fine, when the Association had not complied with NRS 116.31031.
- 38. RESPONDENT 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 by failing to provide documents requested during the investigation by letters dated October 3, 2014, October 6, 2014, November 6, 2014, and February 10, 2016.
 - 39. RESPONDENT violated NAC 116A.355(1)(a)(2) (through NAC

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116A.355(3)(a)) by committing an act of professional incompetence by demonstrating a significant lack of ability, knowledge, or fitness to perform a duty or obligation owed to a client.

- 40. RESPONDENT violated NAC 116A.355(1)(a)(2) (through NAC 116A.355(3)(b)) by committing an act of professional incompetence by failing to exercise reasonable skill and care with respect to a duty or obligation owed to a client.
- RESPONDENT violated NAC 116A.355(1)(a)(1) and (2) (through NAC 41. 116A.355(4)(a)) by committing an act of unprofessional conduct and professional incompetence by failing to do her utmost to protect the public against fraud, misrepresentation or unethical practices related to the business affairs of the client.
- RESPONDENT violated NAC 116A.355(1)(a)(1) and (2) (through NAC 42. 116A.355(4)(g)) by committing an act of unprofessional conduct and professional incompetence when she failed to act in the best interests of the client by causing vehicles to be towed within the Association without complying with NRS 116.3102(1)(s) and NRS 487.038.

ORDER

The Commission being fully apprised in the premises, and good cause appearing to the Commission, by a unanimous vote, ORDERS as follows:

- RESPONDENT'S community manager certificate is downgraded to a 1. provisional community manager certificate for a period of no less than 12 months from the date of this Order. RESPONDENT must petition this Commission prior to receiving a full community manager certificate. Prior to approving a full community manager certificate for RESPONDENT, the Commission will need to receive a report from RESPONDENT'S supervising community manager.
- RESPONDENT shall pay an administrative fine to the Division in the total 2. amount of \$11,108.37 - which includes a fine of \$7,000 for the violations of law and \$4,108.37 representing the total amount due for the Division's attorney's fees and costs -

no later than 60 months from the date of this Order. The total administrative fine shall be due in monthly payments of no less than \$185.14 each and shall be due on the first day of each month beginning on April 1, 2017, until the total fine is paid in full.

- The Commission's Order Continuing Case dated November 30, 2016 for this 3. matter is vacated.
- 4. The Division may institute debt collection proceedings for failure to timely pay the total fine. Further, if collection goes through the State of Nevada, then RESPONDENT shall also pay the costs associated with collection.

Dated: March 22, 2017.

COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS. DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA

Submitted by:

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