

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.

Wine Ridge Estates Homeowners' Association,
Fernando Herrera, Rebecca Coins,

Respondents.

Case No. 2021-942

FILED

JUN 23 2023

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

**STIPULATION AND ORDER FOR
SETTLEMENT OF DISCIPLINARY
ACTION**

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This Stipulation for Settlement of Disciplinary Action ("Stipulation") is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division ("Division"), through its Administrator Sharath Chandra ("Petitioner"), by and through their attorney of record, Christal Park Keegan, and WINE RIDGE ESTATES HOMEOWNERS' ASSOCIATION, (the "Association"), FERNANDO HERRERA and REBECCA COINS (collectively, "RESPONDENTS").

JURISDICTION AND NOTICE

During the relevant times mentioned in this complaint, RESPONDENTS served as board members and/or officers of the Association, a common-interest community located in Las Vegas, Nevada.

RESPONDENTS are subject to the provisions of Chapter 116 of the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and are subject to the jurisdiction of the Division, and the Commission for Common-Interest Communities pursuant to the provisions of NRS 116.750.

SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT

1. RESPONDENT Association is a 415 single-family home community located in Las Vegas, Nevada.

2. At all relevant times, the RESPONDENT Association was and continues to be governed

1 by two resident board members, RESPONDENTS Fernando Herrera and Rebecca Coins.

2 3. On or about July 12, 2021, the auditor gave proper notice to the RESPONDENT
3 Association pursuant to its audit engagement letter which requested records or forms (“Requested
4 Documents”) to the RESPONDENTS board members and the community manager at the time Scott
5 Hedlind with Desert Homeowners Association Management, Inc. *Bates Nos. CICC 0005-0006.*

6 4. RESPONDENTS board members and the community manager Mr. Hedlind failed to
7 provide all of the Requested Documents to the auditor. *Bates Nos. CICC 0007-0010.*

8 5. With the limited information, the auditor completed the audit on September 14, 2021.
9 *Bates Nos. CICC 0007-0010.*

10 6. Subsequently, an intervention affidavit was submitted to the Division by the auditor for
11 further investigation regarding compliance and violation of NRS 116 and NAC 116.

12 7. On or about October 5, 2021, the Division sent the RESPONDENTS board members its
13 initial request for all of the Requested Documents. *Bates Nos. CICC 0011-0013.*

14 8. The RESPONDENTS board members failed to respond to the Division’s request.

15 9. On or about October 27, 2021, the Division sent its second request for the Requested
16 Documents. *Bates Nos. CICC 0015-0017.*

17 10. The RESPONDENTS board members failed to respond to that request as well.

18 11. On or about November 5, 2021, the Division sent its third request for the Requested
19 Documents. *Bates Nos. CICC 0019-0022.*

20 12. The auditor requested the RESPONDENT Association submit the Annual Association
21 Registration form #562, unit fees, including penalty and interest and confirmation that the
22 RESPONDENT Association is in good standing with the Secretary of State’s office. *Bates Nos. CICC*
23 *0005-0006.*

24 13. The RESPONDENT Association paid its annual registration fees and past due amounts.

25 14. The RESPONDENT Association is in good standing with the Secretary of State.

26 15. On November 18, 2021, the Division properly notified the RESPONDENT Association
27 and RESPONDENTS board members that it will commence a disciplinary action by filing a Complaint
28 for a hearing before the Commission. *Bates Nos. CICC 0028-0029.*

1 16. RESPONDENTS board members did not provide a response to the Division.

2 17. RESPONDENT Association has not provided the remainder of the Requested Documents.

3
4 **VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

5 1. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(3)) by failing to act in
6 good faith and in the best interests of the Association when they committed an act or omission which
7 amounts to incompetence, negligence or gross negligence by failing to comply with Nevada law.

8 2. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(8)(a)) by failing to
9 act in good faith and in the best interests of the Association when they failed to cause the Association to
10 comply with all state laws and the governing documents of the Association.

11 3. RESPONDENTS violated NRS 116.3103 (through NAC 116.405(5)(a)) by impeding or
12 otherwise interfering with an investigation of the Division by failing to comply with a request by the
13 Division to provide information or documents.

14 **PROPOSED SETTLEMENT AGREEMENT**

15 In an effort to avoid the time and expense of litigating these issues before the Commission, the
16 parties desire to compromise and settle the Division's findings of violations of law in Case No. 2021-
17 942 upon the following terms and conditions:

18 a. RESPONDENT Association agrees to provide the Division with the 2018, 2019 and 2020
19 CPA Audits identified in the October 5, 2021, Request for Information Letter by October 5, 2023. After
20 this date, the Respondent shall pay the reasonable and necessary costs of the continued proceedings
21 incurred by the Division, including its attorney's fees, to perform status checks on this matter.

22 Upon receipt of the CPA audits, such information shall be submitted to the auditor at the expense
23 of the Association.

24 b. Each RESPONDENT board member further agrees to complete six (6) hours of
25 continuing education in relevant subject matters areas of budget and reserve study, board meeting,
26 financial management, and/or record keeping and reporting, to be completed within one (1) year from
27 the date of the order approving this Stipulation, with proof of completion supplied.
28

1 1. RESPONDENT Association, RESPONDENTS board members, and the Division agree
2 that by entering into this Stipulation, the Division does not concede any defense or mitigation, the
3 RESPONDENT Association and RESPONDENTS board members may assert and that once this
4 Stipulation is approved and fully performed, the Division will close its file in this matter.

5 2. RESPONDENT Association and RESPONDENTS board members agree/s and
6 understand/s that by entering into this Stipulation it/they are waiving their right to a hearing at which
7 it/they may present evidence in its/their defense, its/their right to a written decision on the merits of the
8 complaint, its/their rights to reconsideration and/or rehearing, appeal and/or judicial review, and all other
9 rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada Common-
10 Interest Communities and Condominium Hotels statutes and accompanying regulations, and the federal
11 and state Constitutions. The RESPONDENT Association and RESPONDENTS board members
12 understand/s that this Agreement and other documentation may be subject to public records laws. The
13 Commission members who review this matter for approval of this Stipulation may be the same members
14 who ultimately hear, consider, and decide the Complaint if this Stipulation is either not approved by the
15 Commission or is not timely performed by the RESPONDENT Association and RESPONDENTS board
16 members. The RESPONDENT Association and RESPONDENTS board members fully understand/s
17 that it/they have the right to be represented by legal counsel in this matter at its/their own expense.

18 3. The parties hereby stipulate to the Division's exhibits, Bates Nos.: *CICC 0001 – 0029*.

19 4. Each party shall bear their own attorney's fees and costs.

20 5. Approval of Stipulation. Once executed, this Stipulation will be filed with the
21 Commission and will be placed on the agenda for approval at its next public meeting. The Division will
22 recommend to the Commission approval of the Stipulation. RESPONDENT Association and
23 RESPONDENTS board members agree/s that the Commission may approve, reject, or suggest
24 amendments to this Stipulation that must be accepted or rejected by RESPONDENT Association and
25 RESPONDENTS board members before any amendment is effective.

26 6. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests
27 amendments unacceptable to the RESPONDENT Association and RESPONDENTS board members,
28 it/they may withdraw from this Stipulation, and the Division may pursue its Complaint before the

1 Commission. This Stipulation then shall become null and void and unenforceable in any manner against
2 either party.

3 7. Release. In consideration of the execution of this Stipulation, Association and
4 RESPONDENT Association and RESPONDENTS board members for itself/themselves, its/their heirs,
5 executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the
6 State of Nevada, the Department of Business and Industry, and the Division, and each of their respective
7 members, agents, employees, and counsel in their individual and representative capacities, from any and
8 all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands
9 whatsoever, known and unknown, in law or equity, that RESPONDENT Association and
10 RESPONDENTS ever had, now has, may have, or claim to have against any or all of the persons or
11 entities named in this section, arising out of or by reason of the Division's investigation of this action,
12 this disciplinary action, and all matters related thereto.

13 8. Indemnification. RESPONDENT Association and RESPONDENTS board members
14 hereby agree/s to indemnify and hold harmless the State of Nevada, the Department of Business and
15 Industry, Petitioner, the Division, and each of their respective members, agents, employees, and counsel,
16 in their individual and representative capacities, against any and all claims, suits, and actions brought
17 against said persons and/or entities by reason of the Division's investigation, this disciplinary action, and
18 all other matters relating thereto, and against any and all expenses, damages, and costs, including court
19 costs and attorney fees, which may be sustained by the persons and/or entities named in this section as a
20 result of said claims, suits, and actions.


21 9. Default. In the event of default, RESPONDENT Association and RESPONDENTS board
22 members agree that the RESPONDENT Association's license shall be immediately suspended. The
23 RESPONDENT Association agrees that the foregoing suspension of its license shall continue until the
24 information is received. RESPONDENTS board members agree that they shall tender their resignation
25 immediately if they fail to timely attend and complete the above continuing education. RESPONDENTS
26 board members agree that they shall not serve on the board until the continuing education is completed.

27 10. RESPONDENT Association and RESPONDENTS board members have signed and dated
28 this Stipulation only after reading and understanding all terms herein.

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DATED: June 21, 2023.

NEVADA DEPARTMENT OF BUSINESS &
INDUSTRY, REAL ESTATE DIVISION

By: 
Sharath Chandra,
Administrator

DATED: June 20, 2023

WINE RIDGE ESTATES HOMEOWNERS'
ASSOCIATION

By: 
FERNANDO HERRERA
President

DATED: June 20, 2023

WINE RIDGE ESTATES HOMEOWNERS'
ASSOCIATION

By: 
REBECCA COINS
Secretary/Treasurer

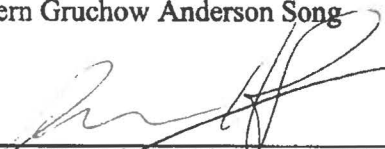
Approved as to form:

AARON D. FORD
Attorney General

Approved as to form:

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Attorney for Association

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2 COMMUNITIES AND CONDOMINIUM HOTELS

3 STATE OF NEVADA

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

7 Petitioner,

8 vs.

9 Wine Ridge Estates Homeowners' Association,
10 Fernando Herrera, Rebecca Coins,

11 Respondents.

Case No. 2021-942

**ORDER FOR SETTLEMENT OF
DISCIPLINARY ACTION**

12 **IT IS ORDERED** that the foregoing Stipulation and Order for Settlement of Disciplinary
13 Action is approved in full.

14 Dated: June 21, 2023

15 COMMISSION FOR COMMON-INTEREST
16 COMMUNITIES AND CONDOMINIUM
17 HOTELS, DEPARTMENT OF BUSINESS &
18 INDUSTRY, STATE OF NEVADA

19 By: 

Michael Burke, Chairman

20 Submitted by:

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22 Attorney General

23 By: 

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