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SHARATH CHANDRA, Administrator,

BEFORE THE COMMISSION FOR COMMON-INTEREST

COMMUNITIES AND CONDOMINIUM HOTELS

STATE OF NEVADA

REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA,

Petitioner,

VS.

MESA VERDE COMMUNITY ASSOCIATION, (Entity No. E0390302014-7)

Respondent.

Case No. 2024-112



DEC 23 2024

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

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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, State of Nevada (the "Commission") during a regular agenda set on a three-day stack beginning at 9:00 a.m. on December 3, 2024 (the "Hearing"). The current Community Association Manager ("CAM") Kellea E. Smith (CAM.0007543-SUPR) of Nevada Community Management, appeared on behalf of Mesa Verde Community Association ("RESPONDENT") with no Board members present. Christal Park Keegan, 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").

The RESPONDENT did not contest the Division's factual allegations and violations of law in its First Amended Complaint filed September 27, 2024. Pursuant to the Commission's Order filed September 19, 2024, Order Term 3, the RESPONDENT was to pay \$2,005.45 by October 21, 2024, but did not do so until 28 days later on November 14, 2024, and that pursuant to Order Term 2, the RESPONDENT was to appear at the Commission meeting to provide a status update on its reserve study.

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FINDINGS OF FACT

Based on a preponderance of the evidence in the record, the documents admitted at the Hearing, the Commission voted, to find all the following factual allegations were proven:

- 1. At all times relevant to the Complaint, the RESPONDENT was managed by Nevada Community Management, by and through its Community Association Manager (CAM) Amanda Flores (CAM.0008698-SUPR). Exhibit A, CICC 000005.
- 2. The RESPONDENT'S Annual Registration Form 562 dated July 26, 2022, technically demonstrated only two Executive Board members. *Exhibit A, CICC 000005*.
- 3. Therefore, on or about February 6, 2024, the Division opened an investigation against the RESPONDENT. *Exhibit A, CICC 000006 CICC 000008*.
- 4. RESPONDENT'S CAM admitted attempts to get people on the Board failed.

 Exhibit B, CICC 000015 CICC 000018.
- 5. Yet, the RESPONDENT'S Registration Filing Addendum Form 623 dated April 5, 2024, continued to report only two Executive Board members. *Exhibit A*, CICC 000003.
- 6. Further, the RESPONDENT'S Annual Registration Form, represented its site Reserve study was conducted on September 14, 2016. *Exhibit A, CICC 000005*.
- 7. On or about February 23, 2024, RESPONDENT'S CAM admitted the Association was past the Reserve study required due date. *Exhibit B, CICC 000014 CICC 000015*.
- 8. On or about June 5, 2024, the Division informed the RESPONDENT it would refer this matter to the Commission. *Exhibit A, CICC 000010 CICC 000011*.
 - 9. RESPONDENT'S annual renewal expired July 31, 2024.
- 10. As of September 22, 2024, Division's records indicated the RESPONDENT'S "HOA NOT IN GOOD STANDING." Exhibit C, CICC 000236 CICC 000237.

CONCLUSIONS OF LAW

Based on the foregoing factual findings and the preponderance of the evidence, the Commission voted, that all the following violations of law occurred:

- 11. RESPONDENT violated NRS 116.31034(1) for failing to elect a minimum of three Executive Board members.
- 12. RESPONDENT violated NRS 116.31152(1) by failing to conduct the Reserve study prior to the 5-year expiration date.
- 13. RESPONDENT violated NRS 116.31155 for failing to pay the fee required by law.
- 14. RESPONDENT violated NRS 116.31158 for failing to submit its registration as required by law.
- 15. RESPONDENT violated NRS 116.3103 for failing to exercise the ordinary and reasonable care of officers and directors when it failed to ensure it was in good standing with the Division.
- 16. RESPONDENT violated NAC 116.405 for committing acts of incompetence, and/or negligence when it failed to ensure it was in good standing with the Division.

ORDER

The Commission, being fully apprised in the premises and good cause appearing, ORDERS as follows:

- 1. RESPONDENT has breached Order Term 2 of the Commissions September 19, 2024 Order, and sanctions issued in the amount of One Thousand Dollars (\$1,000) administrative fine;
- 2. RESPONDENT shall further pay the costs and fees associated with the First Amended Complaint filed September 27, 2024 in the amount of One Thousand Six Dollars and Twenty Six Cents (\$1,006.26);