BEFORE THE COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA.

Petitioner,

vs.

QUADRO HOMEOWNERS' ASSOCIATION, JONATHAN HAMRICK, ELENA LUNGU, RICHARD GREISENAUER, LINDA NEWPORT, and GENEVA MARCUS,

Respondent.

Case No. 2023-580



JAN 17 2025

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER FOR RESPONDENTS JONATHAN HAMRICK, ELENA LUNGU, LINDA NEWPORT AND GENEVA MARCUS

This matter came on for hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada (the "Commission") on Tuesday, December 3, 2024. ("the Hearing") RESPONDENT ASSOCAITION Quadro Homeowners' Association ("RESPONDENT ASSOCIATION") and Respondent Board Members Jonathan Hamrick, Elena Lungu, Linda Newport, and Geneva Marcus ("RESPONDENT BOARD MEMBERS HAMRICK, LUNGU, NEWPORT, and MARCUS") were represented by counsel Matthew McAlonis, Esq. Phil W. Su, Esq., Senior Deputy Attorney General, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division").

The parties indicated that they stipulated to the factual allegations in the complaint and the violations of law. Attorney Su also reported that the parties had reached tentative terms of settlement prior to the hearing but were unable to finalize and sign the resulting stipulation, and that they were prepared to provide their recommendations for discipline to the Commission for its consideration.

The Commission, having heard testimony and reviewed the evidence presented in

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Conclusions of Law, and Order as follows:

FINDINGS OF FACT

this matter and for good cause appearing, hereby enters the following Findings of Fact,

Based on a preponderance of the evidence in the record and the documents admitted at the Hearing, the Commission hereby finds that the following factual allegations were proven:

- On July 18, 2023, the Division received two (2) related intervention affidavits 1. (IA) from COMPLAINANT Ishana Vargas, supervising community association manager with Integrity Based Management LLC. CIC0001-0004.
- At all times relevant to the Complaint, Integrity Based Management LLC and 2. COMPLAINANT were originally the retained community association manager for RESPONDENT ASSOCIATION. CIC0022.
- The IA generally alleged that RESPONDENT BOARD MEMBER 3. GRIESENAUER, along with RESPONDENT BOARD MEMBERS MARCUS, LUNGU, and NEWPORT, held a non-noticed board meeting during which time GRIESENAUER made a motion to not file his own insurance claim for damages to his home and to have the Association pay him for damages to his unit and for accommodations while repairs were being performed. CIC0022.
- The other named board members were present at the non-noticed board 4. meeting and voted in favor of the motion. CIC0022.
- On June 28, 2023, COMPLAINANT sent letters to the RESPONDENT 5. BOARD MEMBERS outlining the potential violations that may have occurred, in advance of filing an IA with the Division. CIC0048-0061.
- On August 15, 2023, Division Investigator Christina Pitch sent an initial 6. letter constituting notice of investigation and request for information to RESPONDENT ASSOCIATION, by certified mailing to their community association manager, Sharyce Harper of Integrity Based Management LLC. CIC0062-0064.
 - The initial request for information letter made four allegations, asserting that 7.

an illegal board meeting occurred on June 13, 2023 without proper notice; that RESPONDENT BOARD MEMBER GRIESENAUER stood to gain financially from a vote to have the association pay for repairs to his home; that the other RESPONDENT BOARD MEMBERS improperly allowed the vote to occur to GRIESENAUER'S benefit; and that the other RESPONDENT BOARD MEMBERS improperly allowed GRIESENAUER to continue to serve as a board member when he stood to gain financially from the matter before the executive board. CIC0062-0063.

- 8. On August 24, 2023, Investigator Pitch sent a second request for information letter to RESPONDENTS, reiterating the requests from the previous letter. CIC0065-0067.
- 9. On August 23, 2023, the Division received emailed response from RESPONDENT BOARD MEMBER Hamrick, enclosing email records from the emergency meeting, correspondence about retaining legal counsel, and letters sent to the board regarding the meetings and attempted payouts to RESPONDENT BOARD MEMBER GREISENAUER. CIC0091-0150.
- 10. That same day, the Division also received a response purportedly from the RESPONDENT BOARD MEMBERS, collectively. CIC0151-0167.
- 11. On August 24, 2023, BOARD MEMBER GRIESENAUER filed his own statement of fact and form 514A intervention affidavit against Integrity Based Management LLC and Sharyce Harper and COMPLAINANT Ishana Vargas, alleging retaliation and harassment. CIC0168-183.
- 12. The August 24, 2023, statement of fact, in relevant part to this Complaint, included a letter from BOARD MEMBER GRIESENAUER'S own counsel indicating that he is solely responsible for repairing damages to his own unit and needed to allow the Association access to his home to identify repair issues. CIC0180-0183.
- 13. On September 6, 2023, Investigator Pitch sent a third request for information letter to RESPONDENTS, requesting information regarding payments GRIESENAUER may have made to repair water damage in 2023; a copy of the CC&Rs; and an explanation of each payment the Board approved for the benefit of GRIESENAUER, with citation to

the section of the CC&Rs supporting the Association's responsibility for that damage. CIC0068-0070.

- 14. On September 14, 2023, Investigator Pitch sent a fourth request for information letter to RESPONDENTS, reiterating from the third letter. CIC0071-0072.
- 15. On September 18, 2023, Mandy Edelman from Sierra Community Management emailed a response to the Division, enclosing the requested documents from the most recent request. CIC0073-0090.
- 16. On December 14, 2023, the Division sent, via Certified Mail, NRS 233b letter notifying the RESPONDENTS that it would pursue disciplinary action in a hearing before the Commission for potential violations of NRS 116. CIC0184-0185.

CONCLUSIONS OF LAW

Based on the foregoing factual findings and the preponderance of the evidence, the Commission, by unanimous vote, determined that the following violations of law occurred:

- 1. RESPONDENTS willfully and knowingly violated NRS 116.31083 and NRS 116.3103 pursuant to NAC 116.405 when the executive board held one or more meetings, on June 6, 2023, and June 13, 2023, that were not properly noticed according to statutory requirements.
- 2. RESPONDENT BOARD MEMBER GREISENAUER willfully and knowingly violated 116.3103 pursuant to NAC 116.405(2) by acting for reasons of self-interest and gain, when he made a motion for an executive board vote to pay him out of Association funds for repairs to his unit and relocation expenses, for which he would have personally benefitted.
- 3. RESPONDENTS willfully and knowingly violated NRS 116.3103 through NAC 116.405(3) by committing an act which amounts to incompetence, negligence, and/or gross negligence when they unanimously voted in favor of paying BOARD MEMBER GREISENAUER out of Association funds for his sole and primary benefit and allowed those funds to actually be used for that purpose.

ORDER

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

- RESPONDENT BOARD MEMBERS HAMRICK, LUNGU, NEWPORT, and 1. MARCUS agree to pay the Division a total amount of SEVEN THOUSAND SEVEN HUNDRED THIRTY-ONE DOLLARS and 96/100 cents (\$7,731.96) ("Amount Due"), consisting of \$1,000.00 in administrative fines imposed by the Division, the Division's prorated pre-hearing costs and fees in the amount of \$576.00, and pro-rated pre-hearing attorney's fees in the amount of \$6,155.96.
 - The Amount Due shall be payable to the Division in full within sixty (60) days of the date of the order approving this settlement.
 - No grace period is permitted. If the payment is not actually received by the Division on or before its due date, it shall be construed as an event of default by RESPONDENT BOARD MEMBERS HAMRICK, LUNGU, NEWPORT, and MARCUS.
- If payment of the total amount due is not actually received by the Division on 2. or before its due date, it shall be construed as a default by RESPONDENT BOARD MEMBERS HAMRICK, LUNGU, NEWPORT, and MORRIS. In the event of default, the unpaid balance of the administrative fine and costs, together with any attorney's fees and costs that may have been assessed, shall be due in full to the Division within ten (10) calendar days of the date of default, and the Division may obtain a judgment for the amount owed, including collection fees and costs.
- RESPONDENT BOARD MEMBERS HAMRICK, LUNGU, NEWPORT, and 3. MORRIS, to the extent that they are currently serving as board members on the effective date of this Order, further agree to each complete ten (10) hours of NRED board member unit training and/or Community Association Manager Continuing Education classes, with proof of completion to be provided to the Division within twelve (12) months of the effective date of this order.

1	4. RESPONDENT BOARD MEMBERS HAMRICK, LUNGU, NEWPORT, and
2	MORRIS are on notice that if they violate any order by the Commission, the Commission
3	may impose an administrative fine of not more than \$1,000 for each violation; and
4	5. The Commission retains jurisdiction for correcting any errors that may have
5	occurred in the drafting and issuance of this document.
6	DATED this 17th day of January, 2025.
7	COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS
9	By: Tylles on Vemasso
10	PHYLLIS TOMASSO Chairperson of the Commission
11 12	Submitted by:
13	AARON D. FORD
14	Attorney General of Nevada
15	By: /s/ Phil W. Su PHIL W. SU, ESQ.
16	Senior Deputy Attorney General
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