

NOV 27 2024

NEVADA COMMISSION FOR  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

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7 **BEFORE THE COMMISSION FOR THE COMMON-INTEREST**  
8 **COMMUNITIES AND CONDOMINIUM HOTELS**

9 **STATE OF NEVADA**

10 SHARATH CHANDRA, Administrator,  
REAL ESTATE DIVISION, DEPARTMENT  
11 OF BUSINESS & INDUSTRY, STATE OF  
NEVADA,

Case No.: 2023-309

12 *Petitioner,*

13 TURNBERRY TOWERS EAST UNIT-  
OWNERS' ASSOCIATION, TONY RECTOR,  
14 JAMES ORR, LAWRENCE (LARRY) KARP;  
MANU SETHI, and TAMRA TRAINER,

15 *Respondents.*

16  
17 **RESPONDENT TONY RECTOR'S**  
18 **ANSWER TO COMPLAINT FOR DISCIPLINARY ACTION**

19 Respondent Tony Rector ("Rector") responds to the Complaint for Disciplinary Action  
20 ("the Complaint") filed by the Real Estate Division, Department of Business and Industry, State  
21 of Nevada ("the Division") as follows:

22 **FACTUAL ALLEGATIONS**

- 23 1. Rector admits the allegations set forth in Paragraph 1 of the Complaint.  
24 2. Rector admits that Pinnacle Community Association Management, represented by  
25 Supervising Community Manager Francesca Stevenson CAM served as the Respondent  
26 Association's management company as to the allegations set forth in Paragraph 2 of the  
27 Complaint.  
28 3. Rector denies the allegations set forth in Paragraph 3 of the Complaint.

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1           4.       Answering Paragraph 4 of the Complaint, the Initial Audit identified in the  
2 Complaint speaks for itself.

3           5.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
4 of the allegations set forth in Paragraph 4 of the Complaint. Rector denies that he was involved  
5 with or negligently or intentionally allowed any of the matters alleged in Paragraph 4 to have  
6 occurred.

7           6.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
8 of the allegations set forth in Paragraph 6 of the Complaint. Rector denies that he was involved  
9 with or negligently or intentionally allowed any of the matters alleged in Paragraph 6 to have  
10 occurred.

11          7.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
12 of the allegations set forth in Paragraph 7 of the Complaint. Rector denies that he was involved  
13 with or negligently or intentionally allowed any of the matters alleged in Paragraph 7 to have  
14 occurred.

15          8.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
16 of the allegations set forth in Paragraph 8 of the Complaint. Rector denies that he was involved  
17 with or negligently or intentionally allowed any of the matters alleged in Paragraph 8 to have  
18 occurred.

19          9.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
20 of the allegations set forth in Paragraph 9 of the Complaint. Rector denies that he was involved  
21 with or negligently or intentionally allowed any of the matters alleged in Paragraph 9 to have  
22 occurred.

23          10.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
24 of the allegations set forth in Paragraph 10 of the Complaint. Rector denies that he was involved  
25 with or negligently or intentionally allowed any of the matters alleged in Paragraph 10 to have  
26 occurred.

27          11.       Rector lacks sufficient knowledge and information to form a belief as to the truth  
28 of the allegations set forth in Paragraph 11 of the Complaint. Rector denies that he was involved

1 with or negligently or intentionally allowed any of the matters alleged in Paragraph 11 to have  
2 occurred.

3 12. Rector lacks sufficient knowledge and information to form a belief as to the truth  
4 of the allegations set forth in Paragraph 12 of the Complaint. Rector denies that he was involved  
5 with or negligently or intentionally allowed any of the matters alleged in Paragraph 12 to have  
6 occurred.

7 13. Rector lacks sufficient knowledge and information to form a belief as to the truth  
8 of the allegations set forth in Paragraph 13 of the Complaint. Rector denies that he was involved  
9 with or negligently or intentionally allowed any of the matters alleged in Paragraph 13 to have  
10 occurred.

11 14. Rector lacks sufficient knowledge and information to form a belief as to the truth  
12 of the allegations set forth in Paragraph 14 of the Complaint. Rector denies that he was involved  
13 with or negligently or intentionally allowed any of the matters alleged in Paragraph 14 to have  
14 occurred.

15 15. Rector lacks sufficient knowledge and information to form a belief as to the truth  
16 of the allegations set forth in Paragraph 15 of the Complaint. Rector denies that he was involved  
17 with or negligently or intentionally allowed any of the matters alleged in Paragraph 15 to have  
18 occurred.

19 16. Rector lacks sufficient knowledge and information to form a belief as to the truth  
20 of the allegations set forth in Paragraph 16 of the Complaint. Rector denies that he was involved  
21 with or negligently or intentionally allowed any of the matters alleged in Paragraph 16 to have  
22 occurred.

23 17. Rector lacks sufficient knowledge and information to form a belief as to the truth  
24 of the allegations set forth in Paragraph 17 of the Complaint. Rector denies that he was involved  
25 with or negligently or intentionally allowed any of the matters alleged in Paragraph 17 to have  
26 occurred.

27 18. Rector lacks sufficient knowledge and information to form a belief as to the truth  
28 of the allegations set forth in Paragraph 18 of the Complaint. Rector denies that he was involved

1 with or negligently or intentionally allowed any of the matters alleged in Paragraph 18 to have  
2 occurred.

3 19. Rector lacks sufficient knowledge and information to form a belief as to the truth  
4 of the allegations set forth in Paragraph 19 of the Complaint.

5 20. Rector lacks sufficient knowledge and information to form a belief as to the truth  
6 of the allegations set forth in Paragraph 20 of the Complaint.

7 21. Rector lacks sufficient knowledge and information to form a belief as to the truth  
8 of the allegations set forth in Paragraph 21 of the Complaint.

9 22. Rector admits that a separate lawsuit was filed against him by the Respondent  
10 Association but is without sufficient knowledge and information to form a belief as to the truth  
11 of the remaining allegations set forth in Paragraph 22 of the Complaint.

12 23. Rector admits the allegations set forth in Paragraph 23 of the Complaint.

13 **CORROBATING WITNESS STATEMENTS**

14 24. Rector lacks sufficient knowledge and information to form a belief as to the truth  
15 of the allegations set forth in Paragraph 24 of the Complaint.

16 25. Rector lacks sufficient knowledge and information to form a belief as to the truth  
17 of the allegations set forth in Paragraph 25 of the Complaint.

18 26. Rector lacks sufficient knowledge and information to form a belief as to the truth  
19 of the allegations set forth in Paragraph 26 of the Complaint.

20 27. Rector lacks sufficient knowledge and information to form a belief as to the truth  
21 of the allegations set forth in Paragraph 27 of the Complaint.

22 28. Rector lacks sufficient knowledge and information to form a belief as to the truth  
23 of the allegations set forth in Paragraph 28 of the Complaint.

24 29. Rector lacks sufficient knowledge and information to form a belief as to the truth  
25 of the allegations set forth in Paragraph 29 of the Complaint.

26 30. Rector lacks sufficient knowledge and information to form a belief as to the truth  
27 of the allegations set forth in Paragraph 30 of the Complaint.

28

1           31.    Rector lacks sufficient knowledge and information to form a belief as to the truth  
2 of the allegations set forth in Paragraph 31 of the Complaint.

3           32.    Rector lacks sufficient knowledge and information to form a belief as to the truth  
4 of the allegations set forth in Paragraph 32 of the Complaint.

5           33.    Rector lacks sufficient knowledge and information to form a belief as to the truth  
6 of the allegations set forth in Paragraph 33 of the Complaint.

7  
8    **VIOLATIONS OF LAW**

9           1.    Responding to allegation No. 1, Rector denies the allegations set forth in  
10 Paragraph 1 of the alleged Violations of Law.

11           2.    Responding to allegation No. 2, Rector denies the allegations set forth in  
12 Paragraph 2 as it relates to the timeframe he was involved as a Board Member of the Association  
13 as to him. Rector lacks sufficient knowledge and information to form a belief as to the truth of  
14 the allegations set forth in Paragraph 2 of the alleged Violations of Law as they might apply to  
15 any other members of the Board.

16           3.    Responding to allegation No. 3, Rector denies the allegations set forth in  
17 Paragraph 1 of the alleged Violations of Law.

18           4.    Responding to allegation No. 4, Rector denies the allegations set forth in  
19 Paragraph 4. Rector lacks sufficient knowledge and information to form a belief as to the truth  
20 of the allegations set forth in Paragraph 4 of the alleged Violations of Law as they might apply to  
21 any other members of the Board.

22           5.    Responding to allegation No. 5, Rector denies the allegations set forth in  
23 Paragraph 5 as it relates to the timeframe he was involved as a Board Member of the Association  
24 as to him. Rector lacks sufficient knowledge and information to form a belief as to the truth of  
25 the allegations set forth in Paragraph 5 of the alleged Violations of Law as they might apply to  
26 any other members of the Board.

27           6.    Responding to allegation No. 6, Rector denies the allegations set forth in  
28 Paragraph 1 of the alleged Violations of Law.

1           7.     Responding to allegation No.7, Rector denies the allegations set forth in  
2 Paragraph 1 of the alleged Violations of Law.

3           8     Responding to allegation No. 8, Rector denies the allegations set forth in  
4 Paragraph 8 as it relates to the timeframe he was involved as a Board Member of the Association  
5 as to him. Rector lacks sufficient knowledge and information to form a belief as to the truth of  
6 the allegations set forth in Paragraph 8 of the alleged Violations of Law as they might apply to  
7 any other members of the Board.

8   **DEFENSES**

9           1.     At all relevant times and in his capacity as a Member of the Board, Rector acted  
10 in good faith to fulfill her duties and obligations.

11           2.     If Rector is found to be derelict in her duties, this is because he was inhibited in  
12 his ability to perform those duties because of the intentional concealment and false  
13 representations of other officers and members of the board, employees or staff, or third-party  
14 management.

15           3.     At all relevant times and in his capacity as a member of the Board, Rector never  
16 acted outside of the scope of the authority granted in the governing documents.

17           4.     At all relevant times and in his capacity as a member of the Board, Rector never  
18 acted for reasons of self-interest, gain, prejudice or revenge

19           5.     At all relevant times and in his capacity as a member of the Board, Rector never  
20 committed an act or omission which amounts to incompetence, negligence or gross negligence.

21           6.     At all relevant times and in his capacity as a member of the Board, Rector never  
22 committed an act or omission knowingly or willingly in violation of Nevada law and/or for his  
23 self-interest.

24           7.     At all relevant times and in her capacity as a member of the Board, Rector fully  
25 cooperated with any investigation of the Division and never impeded or otherwise interfered  
26 with an investigation of the Division.

27           8.     At all relevant times and in his capacity as a member of the Board, Rector  
28 cooperated with the Division in resolving complaints filed with the Division.

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1           9.       At all relevant times and in his capacity as a member of the Board, Rector  
2 exercised good faith to be kept informed of laws, regulations and developments relating to  
3 common-interest communities and to follow the rules and regulations applicable to the duties of  
4 a board member and to homeowners' associations including those duties set forth in NRS  
5 116.3103 and related regulations.

6           WHEREFORE, Rector prays that this Commission:

7           1.       To the extent necessary issue any order to ensure that the Association takes any  
8 necessary affirmative action to correct conditions resulting from the violation that has not  
9 already been corrected.

10          2.       Refrain from entering against Rector any discipline, fines, or requiring Rector to  
11 pay any costs of the proceedings.

12           DATED this   27   day of November, 2024.

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