

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

3 SHARATH CHANDRA, Administrator,  
4 REAL ESTATE DIVISION, DEPARTMENT  
5 OF BUSINESS AND INDUSTRY, STATE  
6 OF NEVADA,

                                      Petitioner,

7 vs.

8 DEL REY ESTATES HOMEOWNERS  
9 ASSOCIATION,  
(Entity Number C11413-1995)

                                      Respondent.

Case No. 2023-929

**FILED**

APR 15 2024

NEVADA COMMISSION FOR  
COMMON INTEREST COMMUNITIES  
AND CONDOMINIUM HOTELS

*mgallo*

11  
12                                   **COMPLAINT FOR DISCIPLINARY**  
13                                   **ACTION AND NOTICE OF HEARING**

14           The Real Estate Division of the Department of Business and Industry, State of  
15 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of  
16 the State of Nevada, and Christal P. Keegan, Deputy Attorney General, hereby notifies  
17 Del Rey Estates Homeowners Association ("RESPONDENT") of an administrative hearing  
18 before the Commission for Common-Interest Communities and Condominium Hotels,  
19 State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 of the  
20 Nevada Revised Statutes ("NRS") and Chapter 116 of the Nevada Administrative Code  
21 ("NAC"). The purpose of the hearing is to consider the allegations stated below and to  
22 determine if an administrative penalty will be imposed on the RESPONDENT pursuant  
23 to the provisions of NRS and NAC including, but not limited to NRS 116.785 and  
24 NRS 116.790.

25                                   **JURISDICTION AND NOTICE**

26           During all relevant times, RESPONDENT is a small, planned community of ten  
27 (10) units located in Las Vegas, Clark County, Nevada (Entity No. C11413-1995) and is,  
28 therefore, subject to the provisions of Chapter 116 of each the Nevada Revised Statutes

1 (“NRS”) and the Nevada Administrative Code (“NAC”) (hereinafter collectively referred to  
2 as “NRS 116”) and are subject to the jurisdiction of the Division, and the Commission for  
3 Common-Interest Communities pursuant to the provisions of NRS 116.750.

#### 4 **FACTUAL ALLEGATIONS**

5 1. On or about November 1, 2023, the Division received a homeowner complaint  
6 against the RESPONDENT executive board. *Exhibit 2, CIC 010.*

7 2. Therefore, on or about November 16, 2023, the Division opened an  
8 investigation against the RESPONDENT, with a deadline to respond by December 1, 2023.  
9 *Exhibit 3, CIC 036–038.*

10 3. On December 1, 2023, RESPONDENT failed to respond to the Division.  
11 *Exhibit 3, CIC 039–041.*

12 4. Therefore, on or about December 5, 2023, in the Division’s second attempt  
13 to the RESPONDENT, it extended the deadline to respond by December 19, 2023.  
14 *Exhibit 3, CIC 039–041.*

15 5. On or about December 27, 2023, RESPONDENT Brian K. Berman as  
16 its Board President finally remitted his untimely response to the Division. *Exhibit 4,*  
17 *CIC 047–051.*

18 6. At all times relevant, RESPONDENT’S Board was comprised of three (3)  
19 members, Board President Berman, Secretary Dean Allen, and Treasurer John  
20 Hernandez. *Exhibit 1, CIC 002, and Exhibit 4, CIC 068.*

21 7. At all times relevant, President Berman was also acting as the  
22 RESPONDENT’S attorney and custodian of records. *Exhibit 1, CIC 002, Exhibit 4,*  
23 *CIC 072.*

24 8. RESPONDENT President Berman represented that the Association is run  
25 by him and Secretary Allen. *Exhibit 4, CIC 068.*

26 9. RESPONDENT President Berman represented Treasurer Hernandez moved  
27 to Georgia and “has not been involved with association affairs in a number of years.”  
28 *Exhibit 4, CIC 068.*

1           10.     At all times relevant, the RESPONDENT President Berman admitted “there  
2 has not been an annual meeting in a number of years” but claimed “it is not for want of  
3 trying”. *Exhibit 4, CIC 050.*

4           11.     In a letter to the homeowners dated February 20, 2018, RESPONDENT  
5 President Berman indicated the last four annual meetings were attempted, claiming  
6 quorum prevented it from holding elections and conducting official business.  
7 *Exhibit 4, CIC 050.*

8           12.     As a result, RESPONDENT President Berman stated: “I have basically given  
9 up trying.” *Exhibit 4, CIC 050.*

10          13.     RESPONDENT President Berman advised the Division “that there are no  
11 meeting minutes, no election records, no financial statements and no budgets from the  
12 requested timeframe [January 1, 2020, to present].” *Exhibit 4, CIC 064.*

13          14.     RESPONDENT President Berman admitted “[t]here has never been a  
14 reserve study.” *Exhibit 4, CIC 065.*

15          15.     RESPONDENT President Berman reasoned its 25-year history established  
16 that a professionally prepared reserve study was an entirely unnecessary expenditure.  
17 *Exhibit 4, CIC 065.*

18          16.     Despite missing from RESPONDENT’S bank statements, President Berman  
19 produced a check copy of Check #1080 dated March 3, 2021, to “Brian Berman, Chtd.” with  
20 President Berman as the sole signatory. *Exhibit 5, CIC 314.*

21          17.     RESPONDENT President Berman represented to the Division that he only  
22 reimbursed himself for “\$22.30 reimbursement for postage” and “a reimbursement for the  
23 Association’s Nevada Secretary of State annual filings.” *Exhibit 5, CIC 073.*

24          18.     But carbon copy of duplicate Check #1068 dated February 20, 2019, to “Brian  
25 K. Berman” indicated otherwise. *Exhibit 5, CIC 324.*

26          19.     The carbon copy of duplicate check #1075 dated July 1, 2020, to “Dean Allen”  
27 with “void” written in black ink contradicts other evidence of a note that it was paid: “pd  
28 7/1/20.” *Exhibit 5, CIC 331, and CIC 304.*





1 Business and Industry, Division of Insurance, 1818 E. College Parkway, Suite 103, Carson  
2 City, Nevada 89706. The Commission meeting will be held at the Nevada State Business  
3 Center. 3300 W. Sahara Avenue, 4th Floor, Tahoe Room, Las Vegas, Nevada 89102 on  
4 June 13, 2024, with videoconferencing to Department of Business & Industry, Division of  
5 Insurance, 1818 E. College Parkway, suite 103, Carson City, Nevada 89706.

6 **STACKED CALENDAR:** Your hearing is one of several hearings that may  
7 be scheduled at the same time as part of a regular meeting of the Commission  
8 that is expected to take place on June 11-13, 2024. Thus, your hearing may be  
9 continued until later in the day or from day to day. It is your responsibility to  
10 be present when your case is called. If you are not present when your hearing  
11 is called, a default may be entered against you and the Commission may decide  
12 the case as if all allegations in the complaint were true. If you need to negotiate  
13 a more specific time for your hearing in advance because of coordination with  
14 an out of state witness or the like, please call Maria Gallo, Commission  
15 Coordinator, at (702) 486-4074.

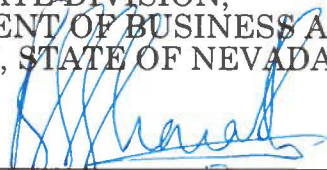
16 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is  
17 an open meeting under Nevada's Open Meeting Law and may be attended by the public.  
18 After the evidence and arguments, the Commission may conduct a closed meeting to  
19 discuss your alleged misconduct or professional competence. You are entitled to a copy of  
20 the transcript of the open and closed portions of the meeting, although you must pay for  
21 the transcription. As a RESPONDENT, you are specifically informed that you have the  
22 right to appear and be heard in your defense, either personally or through your counsel of  
23 choice. At the hearing, the Division has the burden of proving the allegations in the  
24 complaint and will call witnesses and present evidence against you. You have the right to  
25 respond and to present relevant evidence and argument on all issues involved. You have  
26 the right to call and examine witnesses, introduce exhibits, and cross-examine opposing  
27 witnesses on any matter relevant to the issues involved.

1 You have the right to request that the Commission issue subpoenas to compel  
2 witnesses to testify and/or evidence to be offered on your behalf. In making this request,  
3 you may be required to demonstrate the relevance of the witness' testimony and/or  
4 evidence. Other important rights and obligations, including your obligation to answer the  
5 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including  
6 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through NAC  
7 116.635 and NRS Chapter 233B.

8 Note that under NAC 116.575, not less than five (5) working days before a hearing,  
9 RESPONDENT must provide to the Division a copy of all reasonably available documents  
10 that are reasonably anticipated to be used to support his position, and a list of witnesses  
11 RESPONDENT intends to call at the time of the hearing. Failure to provide any document  
12 or to list a witness may result in the document or witness being excluded from  
13 RESPONDENT'S defense. The purpose of the hearing is to determine if the  
14 RESPONDENT have violated the provisions of NRS 116, and to determine what  
15 administrative penalty is to be assessed against RESPONDENT.

16  
17 DATED this 12 day of April 2024.

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

18  
19  
20 By:   
SHARATH CHANDRA, Administrator  
3300 W. Sahara Ave. Ste 350  
Las Vegas, Nevada 89102  
(702) 486-4033

21  
22  
23 DATED this 12th day of April 2024.

AARON D. FORD  
Attorney General

24  
25 By:   
CHRISTAL P. KEEGAN  
Deputy Attorney General  
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