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.

Case No. 2024-685

Petitioner,

vs.

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MANHATTAN HOMEOWNERS' ASSOCIATION;

Respondent.

STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION

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, Phil W. Su, and RESPONDENT Manhattan Homeowners' Association ("RESPONDENT" or "RESPONDENT ASSOCIATION").

JURISDICTION AND NOTICE

During the relevant times mentioned in this Complaint, RESPONDENT ASSOCIATION MANHATTAN HOMEOWNERS' ASSOCIATION, has been a commoninterest community located in Las Vegas, Nevada. RESPONDENT ASSOCIATION is therefore subject to the provisions of Chapter 116 of each the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and subject to the jurisdiction of the Division, and the Commission for Common-Interest Communities pursuant to the provisions of NRS 116.750.

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SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT

- 1. RESPONDENT MANHATTAN HOMEOWNERS' ASSOCIATION is a 700unit multi-tower condominium common interest community located in Las Vegas, Nevada.
- 2. On July 28, 2024, the Division received an Intervention Affidavit form filed by Complainant and unit owner Bruce Redden, alleging that RESPONDENT ASSOCIATION, through its executive board, approved "Pergola/XL Landscape design project," a capital improvement that included construction of new park space, including walkways, paver areas, boulders, a river feature, and a shade/pergola structure, but without having first held any required meetings for consideration of use of assessments for capital improvements.
- 3. On September 13, 2024, the Division's Ombudsman's office transferred the Intervention Affidavit to the Division's compliance section for further investigation.
- 4. On or about September 12, 2024, the Division's compliance investigator Christina Pitch sent an initial open investigation letter and request for information ("RFI") to RESPONDENT ASSOCIATION, requesting responses to the Intervention Affidavit and any related documents in their possession be produced within ten (10) business days from the date of the letter.
- 5. On September 20, 2024, Griselle Rivera-Vazquez (CAM.0009161.SUPR) of Terra West Management Services, responded as the Community Association Manger and on behalf of the board, clarifying that the pergola/shade structure was never constructed because permits could not be obtained for it due to a manhole in the area.
- 6. CAM Rivera-Vazquez further noted that due to construction defects requiring the grass area to be dug up to correct a drainage issue, the ASSOCIATION'S board opted to convert the grass areas to pavers and gravel, and to submit the conversion to Southern Nevada Water District for a rebate, which they subsequently received.
- 7. The Division was also provided with additional documents outlining the Board's thinking in deciding to switch to drought-tolerant landscaping, including state

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mandates and policy initiatives to control water consumption that have compelled such changes to landscaping.

- 8. On September 30, 2024, the Division informed Complainant and the RESPONDENT ASSOCIATION that none of the evidence from the investigation was sufficient to determine that a violation had occurred, and that the case was being closed, without prejudice.
- On January 24, 2025, the Division, in a "Compliance Demand Letter" ("CDL") 9. informed RESPONDENT ASSOCIATION of Complainant's request to reopen the case, and that, upon re-examination of the evidence, the Division determined that the ASSOCIATION failed to notify unit owners of a capital improvement twenty-one (21) calendar days prior to a meeting regarding installation of pavers.
- 10. The CDL required the ASSOCIATION to provide to the Division, within ten (10) days of the date of the letter, notification regarding the next regularly scheduled meeting and a copy of the NRS 116.31083(5)(a) executive board minutes confirming that the violation had been brought into compliance.
- 11. On April 23, 2025, counsel for RESPONDENT ASSOCIATION noted that it attempted to schedule a meeting on April 24, 2025, but would not be able to make quorum, and that the next available date would be May 20, 2025.
- 12. On April 21, 2025, the Division re-opened its investigation on the basis that the ASSOCIATION did not comply with the Division's instructions in its Compliance Demand Letter from January 24, 2025.
- 13. On April 25, 2025, the Division sent, via Certified Mail, an NRS 233B letter notifying the RESPONDENT ASSOCIATION that it would pursue disciplinary action in a hearing before the Commission for potential violations of NRS 116.

VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT

1. RESPONDENT violated NRS 116.3115(9) by failing to provide written notice to each unit's owner of a meeting at which an action is to be taken on an

assessment for a capital improvement, specifically with regard to the Board's decision to install pavers to replace the removed grass landscaping, at least 21 calendar days before the date of the meeting.

2. RESPONDENT violated NRS 116.3103(a) pursuant to NAC 116.405(7) by failing to comply with the Division's Compliance Demand Letter within the timeframe set forth in the letter.

PROPOSED SETTLEMENT AGREEMENT

In an effort to avoid the time and expense of litigating these issues before the Commission, the RESPONDENT ASSOCIATION/SETTLING RESPONDENT does not admit, but also agrees to waive its right to contest, the above factual allegations and violations as alleged in the Complaint filed in Case 2024-685. The parties desire to compromise and settle the instant controversy upon the following terms and conditions:

- 1. RESPONDENT ASSOCIATION agrees to pay the Division a total amount of THREE THOUSAND EIGHTY NINE DOLLARS and 60/100 cents (\$3,089.60) ("Amount Due"), consisting of \$1,000.00 in administrative fines imposed by the Division, the Division's pre-hearing costs and fees in the amount of \$780.00, and pre-hearing attorney's fees in the amount of \$1,309.60.
 - a. The Amount Due shall be payable to the Division in full within sixty(60) days of the date of the order approving this settlement.
 - b. 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 the RESPONDENT ASSOCIATION.
- 2. RESPONDENT ASSOCIATION and the Division agree that by entering into this Stipulation, the Division does not concede any defense or mitigation that the RESPONDENT ASSOCIATION may assert and that once this Stipulation is approved and fully performed, the Division will close its file in this matter.

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- 3. RESPONDENT ASSOCIATION agrees and understand that by entering into this Stipulation, RESPONDENT ASSOCIATION is waiving their right to a hearing at which they may present evidence in their defense, their right to a written decision on the merits of the complaint, their rights to reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada Common-Interest Communities and Condominium Hotels statutes and accompanying regulations, and the federal and state Constitutions. this RESPONDENT ASSOCIATION understands that Agreement and documentation may be subject to public records laws. The Commission members who review this matter for approval of this Stipulation may be the same members who ultimately hear, consider, and decide the Complaint if this Stipulation is either not approved by the Commission or is not timely performed by the RESPONDENT ASSOCIATION. RESPONDENT ASSOCIATION fully understands that they have the right to be represented by legal counsel in this matter at their own expense.
- 4. Each party shall bear their own attorney's fees and costs, *except* as the Division's Attorney's pre-hearing costs provided above.
- 5. Approval of Stipulation. Once executed, this Stipulation will be filed with the Commission and will be placed on the agenda for approval at its next public meeting. The Division will recommend to the Commission approval of the Stipulation. SETTLING RESPONDENT agrees that the Commission may approve, reject, or suggest amendments to this Stipulation that must be accepted or rejected by SETTLING RESPONDENT before any amendment is effective.
- 6. <u>Withdrawal of Stipulation</u>. If the Commission rejects this Stipulation or suggests amendments unacceptable to the RESPONDENT ASSOCIATION, the RESPONDENT ASSOCIATION may withdraw from this Stipulation, and the Division may pursue its Complaint before the Commission. This Stipulation then shall become null and void and unenforceable in any manner against either party.

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- 7. Release. In consideration of the execution of this Stipulation, Association and RESPONDENT ASSOCIATION for itself/themselves, its/their executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry, and the Division, and each of their respective members, agents, employees, and counsel in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT ASSOCIATION ever had, now has, may have, or claim to have against any or all of the persons or entities named in this section, arising out of or by reason of the Division's investigation of this action, this disciplinary action, and all matters related thereto.
- 8. <u>Indemnification</u>. RESPONDENT ASSOCIATION hereby agrees to indemnify and hold harmless the State of Nevada, the Department of Business and Industry, Petitioner, the Division, and each of their respective members, agents, employees, and counsel, in their individual and representative capacities, against any and all claims, suits, and actions brought against said persons and/or entities by reason of the Division's investigation, this disciplinary action, and all other matters relating thereto, and against any and all expenses, damages, and costs, including court costs and attorney fees, which may be sustained by the persons and/or entities named in this section as a result of said claims, suits, and actions.
- 9. <u>Default</u>. In the event of default, the RESPONDENT ASSOCIATION agrees that the RESPONDENT ASSOCIATION registration status with the Division shall be immediately suspended, and 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. Debt collection actions for unpaid monetary assessments in this case may be instituted by the Division or its assignee. RESPONDENT ASSOCIATION agrees that the foregoing suspension of the

1	RESPONDENT ASSOCIATION's registration status shall continue until the unpai		
2	monetary assessments are paid in full.		
3	10. RESPONDENT ASSOCIATION'S executive board members have signed and		
4	dated this Stipulation only after reading and understanding all terms herein.		
5	DATED: June, 2025	NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION	
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7		By: SHARATH CHANDRA Administrator	
9	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION	
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11 12		By: President	
13	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION	
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15		By:	
16		Treasurer	
17 18	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION	
19		By:	
20		Secretary	
21	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION	
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23		By: Board Member at Large	
24 25	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION	
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27		By: Board Member at Large	
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1	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION
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3		By: Board Member at Large
4	 DATED: June, 2025	MANHATTAN HOMEOWNERS
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7		By: Board Member at Large
8	DATED: June, 2025	MANHATTAN HOMEOWNERS ASSOCIATION
9		Th.
10		By: Board Member at Large
11	 DATED: June, 2025	MANHATTAN HOMEOWNERS
12		ASSOCIATION
13		By:Board Member at Large
14		Board Member at Large
15	APPROVED AS TO FORM:	
16		LEACH KERN GRUCHOW SONG
17		n.
18		By: RYAN HASTINGS (Bar No. 12394)
19		2525 Box Canyon Dr.
20		Las Vegas, Nevada 89128 (702) 538-9074
21		Attorneys for Respondent Manhattan Homeowners' Association
22		
23		AARON D. FORD Attorney General
24		
25		By: <u>/s/ Phil W. Su</u> PHIL W. SU (Bar No. 10450)
		Senior Deputy Attorney General
26		1 State of Nevada Way, Ste. 100 Las Vegas, Nevada 89119
27		(702) 486-3655
28		Attorneys for Real Estate Division
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1 BEFORE THE COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS 2 STATE OF NEVADA 3 SHARATH CHANDRA, Administrator, 4 REAL ESTATE DIVISION, DEPARTMENT Case No. 2024-685 OF BUSINESS & INDUSTRY, STATE OF 5 NEVADA. 6 Petitioner. 7 vs. 8 MANHATTAN HOMEOWNERS' ASSOCIATION; 9 Respondent. 10 11 ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION 12 IT IS ORDERED that the foregoing Stipulation and Order for Settlement of 13 Disciplinary Action in Case No. 2024-685 is approved in full. 14 DATED: June _____, 2025 15 COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM 16 HOTELS, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA 17 18 19 Phyllis M. Tomasso, Chair 20 Submitted by: 21 AARON D. FORD Attorney General 22 23 By: <u>/s/ Phil W. Su</u> PHIL W. SU (Bar No. 10450) 24 Senior Deputy Attorney General 25 1 State of Nevada Way, Ste. 100 Las Vegas, Nevada 89119

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Attorneys for Real Estate Division

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