| 1 | BEFORE THE COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS | |
|----|---|--|
| 2 | | |
| 3 | STATE OF | NEVADA |
| 4 | SHARATH CHANDRA, Administrator, | Case No. 2024-675 |
| 5 | REAL ESTATE DIVISÍON, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA, | |
| 6 | | FILED |
| 7 | Petitioner, | DEC 2 3 2024 |
| 8 | VS. | NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES |
| 9 | PIEDMONT HOMEOWNERS ASSOCIATION, (Entity Number E0134062017-0) | AND CONDOMINIUM HOTELS |
| 10 | Respondent. | |
| 11 | | |
| 12 | FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER | |
| 13 | 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"). Board member Richard Rehm and homeowner Patrick Murch appeared on behalf of Piedmont Homeowners Association ("RESPONDENT"). Christal Park Keegan, Deputy Attorney General ("DAG") 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 21 of law in its Complaint filed October 29, 2024. The parties stipulated to admission of 22the Division's documents bate stamped pages NRED 000001-000035, and the 23**RESPONDENT'S** supporting documents, specifically the Annual Registration Form dated 24 November 30, 2024 and copy of money order, to their Response filed December 2, 2024, 25 were admitted. DAG Keegan informed the Commission that the RESPONDENT'S status 26 with the Secretary of State is still in revoked status, and recommended hiring a 27 28community manager.

FINDINGS OF FACT 1 Based on a preponderance of the evidence in the record, the documents admitted 2 at the Hearing, the Commission voted, to find all the following factual allegations 3 4 were proven: The Covenants, Conditions, and Restrictions ("CC&Rs") document 5 1. #20170413-0000731 recorded April 13, 2017, indicate the Piedmont Homeowners 6 Association ("RESPONDENT") is a common-interest community. NRED 000002, 7 NRED 000005. 8 At all times relevant, the RESPONDENT Board President was 2. 9 Timothy Kephart, the Secretary Richard Rehm, and the Treasurer Jodi Reynolds. 10 NRED 000011-000012. 11 Beginning on or about July 8, 2020, to April 6, 2022, the RESPONDENT 12 3. has ignored approximately (11) mailed past due notices from the Division's 13 **Registrations Department**. 14 The RESPONDENT failed to submit its Form 562 Annual Association 4. 15 Registration Form since 2020. NRED 000002, NRED 000008, NRED 000013, 16 NRED 000017-000018, NRED 000021-000022, and NRED 000025-000026. 17 Further, the RESPONDENT failed to pay the Division its required annual 5. 18 registration fee since about April of 2020, resulting in approximately \$150.69 in 19 delinquent fees and interest. NRED 000002, NRED 000008, NRED 000013, 20 NRED 000017, NRED 000021, and NRED 000025. 21 6. Therefore, on or about February 29, 2024, the Division's Auditor informed 22 the RESPONDENT each unit owners of its delinquency and not in good standing status. 23 NRED 000008-000009, and NRED 000013. 24 The RESPONDENT'S status with the Nevada Secretary of State also 25 7. indicated "Revoked." NRED 000008, and NRED 000010. 26 But the Division's Auditor did not receive even one single response from the 27 8. **RESPONDENT** or the unit owners. NRED 000002. 28 Page 2 of 4

19. Nor did the RESPONDENT ever provide the Division with any notice of2termination. NRED 000002.

3 10. Furthermore, the RESPONDENT did not respond to the Division's
4 phone calls placed on or about July 24, 2024, July 26, 2024, July 30, 2024, and/or
5 August 12, 2024.

11. On or about July 26, 2024, the Division's Compliance Section sent its Second Notice for its Request for Information. NRED 000017-000019, NRED 000021-000023, and NRED 000025-000027.

6

7

8

13

16

17

23

28

9 12. None of the RESPONDENT responded to the Division's second request
10 either. NRED 000029-000034.

1113. Accordingly, on or about August 14, 2024, the Division informed the12RESPONDENT it would commence formal disciplinary action. NRED 000029-000034.

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:

14. RESPONDENT violated NRS 116.31155(1)(a) and (3)(a) for failing to pay the required annual registration fee since April of 2020.

18 15. RESPONDENT violated NRS 116.31158(1) for failing to submit its Form 562
19 since April of 2020.

16. RESPONDENT violated NAC 116.405(5)(a) by impeding or otherwise
interfering with the Division's investigation by failing to respond to the Division's multiple
requests to provide information or documents.

ORDER

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

261.RESPONDENT shall return to the March 11-13, 2025 Commission Meeting27with a status update to report its status with the Secretary of State is resolved;

2. RESPONDENT shall pay to the Division a total amount of Two Thousand One Hundred Thirty Four and Forty Two Cents (\$2,134.42) within six (6) months of entry of Order. This total amount reflects no administrative fine amounts for committing the above-stated violation of law, but the costs of the investigation, the attorney's fees, and the hearing.

6 3. If payment is not actually received by the Division on or before its due date, 7 it shall be a default by RESPONDENT. In the event of default, the unpaid balance of the 8 administrative fine and costs, together with any attorney's fees and costs that may have 9 been assessed, shall be due in full to the Division within ten (10) calendar days of the date 10 of default, and the Division may obtain a judgment for the amount owed, including 11 collection fees and costs;

12 4. RESPONDENT is on notice that if it violates any order by the Commission,
13 the Commission may impose an administrative fine of not more than \$1,000 for each
14 violation; and

15 5. The Commission retains jurisdiction for correcting any errors that may have
16 occurred in the drafting and issuance of this document.

DATED this 23 day of December, 2024.

COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA

h vcmatte By: CHAIRMAN

23 Submitted by:

1

2

3

4

5

17

18

19

20

21

22

25

24 AARON D. FORD Attorney General

okeegan

26 By: CHRISTAL P. KEEGAN (Bar No. 12725)
27 Deputy Attorney General 5420 Kietzke Lane, Suite 202
28 Reno, Nevada 89511 (775) 687-2141, ckeegan@ag.nv.gov Attorney for Real Estate Division

. . .