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FEB 21 2025

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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1 **SR**
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12 Attorneys for Respondent

13 **BEFORE THE COMMISSION FOR COMMON-INTEREST**
14 **COMMUNITIES AND CONDOMINIUM HOTELS**
15 **STATE OF NEVADA**

16 SHARATH CHANDRA, Administrator,
17 REAL ESTATE DIVISION, DEPARTMENT
18 OF BUSINESS AND INDUSTRY, STATE
19 OF NEVADA,

Case No.: 2023-846

Petitioner,

vs.

20 TROPICANA SQUARE HOMES
21 ASSOCIATION,
22 (Entity Number C2743-1972)

Respondent.

23 **STATUS REPORT FOR COMMISSION HEARING**
24 **MARCH 11-12, 2025**

25 The Respondent, TROPICANA SQUARE HOMES ASSOCIATION (“Respondent”),
26 hereby submits this Status Report for the Commission Hearing scheduled for March 11-12, 2025.

27 **PROCEDURAL BACKGROUND**

28 On September 10, 2024, the Respondent appeared before the Commission for Common-
Interest Communities and Condominium Hotels (“Commission”) in the above-referenced matter.
On September 19, 2024, the Commission issued a letter to the Respondent that included the
Commission’s (“Order”). A copy of the letter and Order is attached hereto as **Exhibit 1**. The
Order required the Respondent Association to provide a status report at the Commission’s
March 2025 meeting, on the following items:

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- 1 1. The 2025 Budget;
- 2 2. The potential sale of a portion of the Association's Common Area to the City of
- 3 Henderson; and
- 4 3. A revised update of the Accounts Receivable Schedule.

5 The Respondent offers the following update and status report:

6 **Budget for 2025:**

7 The 2025 Budget was adopted by the Board and ratified by the membership. A copy of
8 the 2025 Budget is attached hereto as **Exhibit 2**. The 2025 Budget is consistent with the funding
9 plan adopted by the Board. The 2025 Budget reflects that the Board is ahead of schedule
10 concerning funding the reserve account. The funding plan submitted to, and approved by, the
11 Commission is attached hereto as **Exhibit 3**. The funding plan provided for the reserve account
12 to be 24.7% funded at the end of 2025. However, the 2025 Budget projects the reserve account to
13 be 38% funded at the end of the year. The monthly assessment was increased by \$20.00 per unit
14 per month. The Special Reserve Assessment ("SRA") which was increased in 2024 remains in
15 effect from 2025 at the rate of \$100 per unit per month.

16 **Funding Plan:**

17 At this juncture, the Board is in compliance with the funding plan submitted to and
18 approved by the Commission.

19 **Potential Sale of a Portion of the Association's Common Area:**

20 As previously reported to the Commission, on July 23, 2024, the City of Henderson
21 issued an offer to purchase ("Offer") a portion of the Association's Common Area. Attached
22 hereto as **Exhibit 4** is a copy of the Offer. The City offered to purchase 5,648 sq. ft. of the
23 Association's Common Areas for the purchase price of \$180,736. At the August 8, 2024 Board
24 meeting, the Board accepted and signed the Offer. Attached hereto as **Exhibit 5** is a copy of the
25 Offer that has been signed by the Board.

26 For the Association to be able to be authorized to sell the Common Area to the City, at
27 least a majority of the Owners must approve the sale. There are 104 Owners in the Association.
28 Thus, at least 53 owners must approve the sale. On August 22, 2024, October 7, 2024, and

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1 December 2024, the Association issued a letter and ballot to the Membership describing the
2 Offer and giving the Membership the right to vote to approve the sale of the property to the City
3 of Henderson. As of this date, 56 ballots have been returned. Fifty-two (52) owners have voted in
4 favor of the sale and four (4) owners have voted against the sale. The Board is in the process of
5 contacting the Owners who have not voted to solicit their votes on this matter. It is anticipated
6 that within the next thirty (30) days the Association will have received the votes necessary to
7 complete the sale of the Common Area to the City of Henderson. However, it should be noted
8 that the funding plan is not reliant upon the sale of the Common Area and receipt of the funds
9 from the City of Henderson. Even if the sale is not completed, the Association will be able to
10 comply with the funding plan. If, however, the sale is completed, the funds generated by the sale,
11 less the expenses incurred by the Association related thereto, will be deposited in the Reserve
12 Account. That should allow the Association to revisit its current funding plan and make
13 adjustments as required by NRS 116.31152 (1)(c).

14 **Current Collections/Aging Report:**

15 Attached hereto as **Exhibit 6** is the relevant portion of the Association’s Aging Report
16 dated February 6, 2025. The AR Aging Report reflects outstanding balances totaling
17 \$122,532.89. This is approximately a 14% reduction in delinquent amounts since July 2024. It
18 should also be noted that a large portion of the delinquencies is attributable to the insurance
19 assessment (\$33,042.36). The Association is processing these claims through its collection policy
20 and has implemented its lien and foreclosure process to recover the funds needed to pay the
21 insurance and also fund the Reserve Account.

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1 In summary, the Association and its Board believe that the Association is in compliance
2 with the Commission's Order. The Association asserts that it has adopted and is implementing a
3 funding plan consistent with NRS 116.3115(2)(b). It is anticipated that the membership will soon
4 approve the sale of a portion of the Common Area to the City of Henderson. The funds generated
5 from the sale will allow the Board to review the funding plan and consider adjustments to the
6 funding plan that may bring relief to the Owners.

7 DATED this 21 day of February 2025.

8 LEACH KERN GRUCHOW SONG

9 By: 

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13 Attorneys for Respondent
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CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), the undersigned, an employee of LEACH KERN GRUCHOW SONG, hereby certifies that on the 21st day of February 2025, she served a true and correct copy of the foregoing, **STATUS REPORT FOR COMMISSION HEARING MARCH 11-12, 2025**, by:

- Depositing for mailing, in a sealed envelope, U.S. postage prepaid, at Las Vegas, Nevada
- Personal Delivery
- Facsimile
- Federal Express/Airborne Express/Other Overnight Delivery
- Las Vegas Messenger Service
- Electronic Service – via E-mail

addressed as follows:

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/s/ Merlin Calimpong
An employee of LEACH KERN GRUCHOW
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