

**IN THE SUPREME COURT OF THE STATE OF NEVADA**

MEI-GSR HOLDINGS, LLC, a Nevada  
Limited Liability Company; AM-GSR  
HOLDINGS, LLC, a Nevada Limited  
Liability Company; and GAGE VILLAGE  
COMMERCIAL DEVELOPMENT, LLC, a  
Nevada Limited Liability Company,

Appellants,

vs.

ALBERT THOMAS, individually; JANE  
DUNLAP, individually; JOHN DUNLAP,  
individually; BARRY HAY, individually;  
MARIE-ANNE ALEXANDER, as Trustee  
of the MARIE-ANNE ALEXANDER LIVING  
TRUST; MELISSA VAGUJHELYI and  
GEORGE VAGUJHELYI, as Trustees of  
the GEORGE VAGUJHELYI AND MELISSA  
VAGUJHELYI 2001 FAMILY TRUST  
AGREEMENT, U/T/A APRIL 13, 2001; D'  
ARCY NUNN, individually; HENRY NUNN,  
individually; MADELYN VAN DER BOKKE,  
individually; LEE VAN DER BOKKE,  
individually; ROBERT R. PEDERSON,  
individually and as Trustee of the  
PEDERSON 1990 TRUST; LOU ANN  
PEDERSON, individually and as  
Trustee of the PEDERSON 1990 TRUST;  
LORI ORDOVER; WILLIAM A.  
HENDERSON,  
individually; CHRISTINE E. HENDERSON,  
individually; LOREN D. PARKER,  
individually; SUZANNE C. PARKER,  
individually; MICHAEL IZADY,  
individually; STEVEN TAKAKI,  
individually; FARAD TORABKHAN,  
individually; SAHAR TAVAKOLI,

**Supreme Court No. 85915**

District Court Case No. CV12-02222

Electronically Filed  
Feb 09 2023 04:49 PM  
Elizabeth A. Brown  
Clerk of Supreme Court

**CROSS-APPELLANTS'**

**DOCKETING**  
**STATEMENT**

individually; M&Y HOLDINGS, LLC; JL&YL HOLDINGS, LLC; SANDI RAINES, individually; R. RAGHURAM, individually; USHA RAGHURAM, individually; LORI K. TOKUTOMI, individually; GARRET TOM, individually; ANITA TOM, individually; RAMON FADRILAN, individually; FAYE FADRILAN, individually; PETER K. LEE and MONICA L. LEE, as Trustees of the LEE FAMILY 2002 REVOCABLE TRUST; DOMINIC YIN, individually; ELIAS SHAMIEH, individually; JEFFREY QUINN, individually; BARBARA ROSE QUINN individually; KENNETH RICHE, individually; MAXINE RICHE, individually; NORMAN CHANDLER, individually; BENTON WAN, individually; TIMOTHY D. KAPLAN, individually; SILKSCAPE INC.; PETER CHENG, individually; ELISA CHENG, GREG A. CAMERON; TMI PROPERTY GROUP, LLC; RICHARD LUTZ; SANDRA LUTZ, individually; MARY A. KOSSICK, individually; MELVIN CHEAH, individually; DI SHEN, individually; NADINE'S REAL ESTATE INVESTMENTS, LLC; AJIT GUPTA, individually; SEEMA GUPTA, individually; FREDERICK FISH, individually; LISA FISH, individually; ROBERT A. WILLIAMS, individually; JACQUELIN PHAM, individually; MAY ANNE HOM, as Trustee of the MAY ANNE HOM TRUST; MICHAEL HURLEY, individually; DOMINIC YIN, individually; DUANE WINDHORST, individually; MARILYN WINDHORST, individually; VINOD BHAN, individually; ANNE BHAN, individually; GUY P. BROWNE, individually; GARTH A.

WILLIAMS, individually; PAMELA Y. ARATANI, individually; DARLEEN LINDGREN, individually; LAVERNE ROBERTS, individually; DOUG MECHAM, individually; CHRISTINE MECHAM, individually; KWANG SOON SON, individually; SOO YEU MOON, individually; JOHNSON AKINBODUNSE, individually; IRENE WEISS, as Trustee of the WEISS FAMILY TRUST; PRAVESH CHOPRA, individually; TERRY POPE, individually; NANCY POPE, individually; JAMES TAYLOR, individually; RYAN TAYLOR, individually; KI HAM, individually; YOUNG JA CHOI, individually; SANG DAE SOHN, individually; KUK HYUNG (CONNIE) YOO, individually; SANG SOON (MIKE) YOO, individually; BRETT MENMUIR, as Trustee of the CAYENNE TRUST; WILLIAM MINER, JR., individually; CHANH TRUONG, individually; ELIZABETH ANDRES MECUA, individually; SHEPHERD MOUNTAIN, LLC; ROBERT BRUNNER, individually; AMY BRUNNER, individually; JEFF RIOPELLE, individually; PATRICIA M. MOLL, individually; and DANIEL MOLL, individually,

Respondents.

## GENERAL INFORMATION

Appellants must complete this docketing statement in compliance with NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, identifying issues on appeal, assessing presumptive assignment to the Court of Appeals under NRAP 17, scheduling cases for oral argument and settlement conferences, classifying cases for expedited treatment and assignment to the Court of Appeals, and compiling statistical information.

## WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. *Id.* Failure to fill out the statement completely or to file it in a timely manner constitutes grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

A complete list of the documents that must be attached appears as Question 27 on this docketing statement. Failure to attach all required documents will result in the delay of your appeal and may result in the imposition of sanctions.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. *See KDI Sylvan Pools v. Workman*, 107 Nev. 340, 344, 810 P.2d 1217, 1220 (1991). Please use tab dividers to separate any attached documents.

1. Judicial District Second Department OJ41  
County: Washoe Judge Hon. Elizabeth Gonzalez (Ret.)  
District Ct. Case No. CV12-02222

### 2. Attorney(s) filing this docketing statement:

Attorney Jarrad C. Miller, Esq.; Briana N. Collings, Esq.

Telephone (775) 329-5600

Firm Robertson, Johnson, Miller & Williamson

Address 50 West Liberty Street, Suite 600, Reno, Nevada 89501

Clients All Cross-Appellants (see attachment for all clients)

Attorney Robert L. Eisenberg, Esq.

Telephone (775) 786-6868

Firm Lemons, Grundy & Eisenberg

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Clients All Cross-Appellants (see attachment for all clients)

**3. Attorney(s) representing respondent(s):**

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Clients All Cross-Respondents (see attachment for all clients)

Attorney Abran Vigil, Esq.

Telephone (702) 761-7738

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Clients All Cross-Respondents (see attachment for all clients)

Attorney Jordan T. Smith, Esq.

Telephone (702) 214-2100

Firm Pisanelli Bice PLLC

Address 400 South 7th Street, Suite 300, Las Vegas, Nevada 89101

Clients All Cross-Respondents (see attachment for all clients)

**4. Nature of disposition below (check all that apply):**

- |  |   |
|--|---|
| <input type="checkbox"/> Judgment after bench trial            | <input type="checkbox"/> Dismissal:                                     |
| <input type="checkbox"/> Judgment after jury verdict           | <input type="checkbox"/> Lack of jurisdiction                           |
| <input type="checkbox"/> Summary judgment                      | <input type="checkbox"/> Failure to state a claim                       |
| <input type="checkbox"/> Default judgment                      | <input type="checkbox"/> Failure to prosecute                           |
| <input type="checkbox"/> Grant/Denial of NRCP 60(b) relief     | <input type="checkbox"/> Other (specify): <u>Sanction</u>               |
| <input checked="" type="checkbox"/> Grant/Denial of injunction | <input type="checkbox"/> Divorce Decree:                                |
| <input type="checkbox"/> Grant/Denial of declaratory relief    | <input type="checkbox"/> Original <input type="checkbox"/> Modification |
| <input type="checkbox"/> Review of agency determination        | <input type="checkbox"/> Other disposition (specify):                   |

**5. Does this appeal raise issues concerning any of the following?**

No.

- ☐ Child Custody
- ☐ Venue
- ☐ Termination of parental rights

**6. Pending and prior proceedings in this court.** List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal:

- (1) MEI-GSR Holdings, LLC, et al. v. Thomas, et al., Supreme Court No. 69184;
- (2) Thomas, et al. v. MEI-GSR Holdings, LLC, et al., Supreme Court No. 70498;  
and
- (3) MEI-GSR Holdings, LLC, et al. v. Thomas, et al., Supreme Court No. 84143.

**7. Pending and prior proceedings in other courts.** List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (e.g., bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

N/A.

**8. Nature of the action.** Briefly describe the nature of the action and the result below:

Cross-Appellants are, or at one time were, individual unit owners in The Grand Sierra Resort Condominium Units, which are part of the Grand Sierra Unit Owners' Association. The Grand Sierra Unit Owners' Association is an apartment-style, hotel-condominium development of 670 units from floors 17 through 24 of the Grand Sierra Resort and Casino located at 2500 East Second Street, Reno, Nevada. Cross-Appellants asserted twelve (12) causes of action against Respondents in their Second Amended Complaint, which was filed with the District Court on or about March 26, 2013. Cross-Appellants' claims for relief were premised on, among other things, Cross-Respondents' misconduct in relation to the Grand Sierra Unit Owners' Association, breaches of contract, and deceptive trade practices.

During discovery, Respondents committed numerous discovery abuses. Cross-Appellants moved for case-concluding sanctions twice due to Respondents' willful discovery misconduct, which resulted in the December 8, 2013 Order and the October 3, 2014 Order from the District Court. The District Court granted Cross-Appellants' motion for case-concluding sanctions in its October 3, 2014 Order. A Default was entered against Respondents on November 26, 2014. The District Court conducted a prove-up hearing on March 23 through March 25, 2015, and entered its Findings of Fact, Conclusions of Law and Judgment on October 9, 2015 ("FFCLJ"). The District Court awarded \$8,318,215.55 in damages and set a hearing on punitive damages. On January 17, 2023, the Court awarded \$9,190,521.92 in punitive damages. A judgment was entered on February 2, 2023.

This is a cross-appeal of the District Court's Order on Plaintiffs' Application for Temporary Restraining Order, and Motion for Preliminary Injunction which fashioned a remedy allowing Cross-Defendants to vote to terminate the Grand Sierra Resort Unit Owners' Association, and to facilitate the sale of Cross-Appellants' and Cross-Respondents' condominium units using an appraisal process overseen by the Court. Cross-Appellants prevailed on their claim for the appointment of a receiver. The appointment of the receiver was for the purpose of preserving Plaintiffs' property and putting the Court's judgment into effect. Permitting the sale of the termination of the Grand Sierra Resort Unit Owners' Association and sale of the units prior to the satisfaction of the damages awards hinders and/or prevents the receiver from having control of the assets necessary to put the judgment into effect.

**9. Issues on appeal.** State concisely the principal issue(s) in this appeal (attach separate sheets as necessary):

Whether the District Court erred in allowing Respondents to terminate the Grand Sierra Resort Unit Owners' Association and sell the condominium units therein without putting a mechanism in place to retain such assets in order to satisfy the judgments rendered.

**10. Pending proceedings in this court raising the same or similar issues.** If you are aware of any proceedings presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket numbers and identify the same or similar issue raised:

Appellants are not aware of any such proceedings.

**11. Constitutional issues.** If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

☒ N/A

☐ Yes

☐ No

If not, explain:

**12. Other issues.** Does this appeal involve any of the following issues?

☐ Reversal of well-settled Nevada precedent (identify the case(s))

☐ An issue arising under the United States and/or Nevada Constitutions

☐ A substantial issue of first impression

☒ An issue of public policy

☐ An issue where en banc consideration is necessary to maintain uniformity of this court's decisions

☐ A ballot question



If so, explain: Whether a judgment debtor can liquidate substantial assets which are currently under a receivership prior to satisfying a judgment of compensatory and punitive damages is an issue of public policy.

**13. Assignment to the Court of Appeals or retention in the Supreme Court.**

Briefly set forth whether the matter is presumptively retained by the Supreme Court or assigned to the Court of Appeals under NRAP 17, and cite the subparagraph(s) of the Rule under which the matter falls. If appellant believes that the Supreme Court should retain the case despite its presumptive assignment to the Court of Appeals, identify the specific issue(s) or circumstance (s) that warrant retaining the case, and include an explanation of their importance or significance:

This appeal is presumptively retained by the Supreme Court under NRAP 17(12) because the issue stated above is one of statewide public importance.

**14. Trial.** If this action proceeded to trial, how many days did the trial last?

N/A

Was it a bench or jury trial? N/A

**15. Judicial Disqualification.** Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal? If so, which Justice?

No.

**TIMELINESS OF NOTICE OF APPEAL**

**16. Date of entry of written judgment or order appealed from:**

December 5, 2022.

If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:

**17. Date written notice of entry of judgment or order was served:**

December 5, 2022.

Was service by:

☐ Delivery

☒ Mail/electronic/fax

**18. If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59)**

(a) Specify the type of motion, the date and method of service of the motion, and the date of filing.

☐ NRCP 50(b)                      Date of filing                      \_\_\_\_\_

☐ NRCP 52(b)                      Date of filing                      \_\_\_\_\_

☐ NRCP 59                              Date of filing                      \_\_\_\_\_

**NOTE: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration may toll the time for filing a notice of appeal. See *AA Primo Builders v. Washington*, 126 Nev. Adv. Rep. 53, 245 P.3d 1190 (2010).**

(b) Date of entry of written order resolving tolling motion N/A

(c) Date written notice of entry of order resolving tolling motion was served N/A

Was service by:

☐ Delivery

☐ Mail

**19. Date notice of appeal filed**                      January 19, 2023

If more than one party has appealed from the judgment or order, list the date each notice of appeal was filed and identify by name the party filing the notice of appeal:

MEI-GSR, et al.: notice of appeal filed January 3, 2023.

**20. Specify statute or rule governing the time limit for filing the notice of appeal, e.g., NRAP 4(a) or other NRAP 4(a)(2) [14 days after other party's notice of appeal]**

### **SUBSTANTIVE APPEALABILITY**

**21. Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:**

(a)

- |   |                                       |
|---|---------------------------------------|
| <input type="checkbox"/> NRAP 3A(b)(1)            | <input type="checkbox"/> NRS 38.205   |
| <input type="checkbox"/> NRAP 3A(b)(2)            | <input type="checkbox"/> NRS 233B.150 |
| <input checked="" type="checkbox"/> NRAP 3A(b)(3) | <input type="checkbox"/> NRS 703.376  |
| <input type="checkbox"/> Other (specify):         |                                       |

(b) Explain how each authority provides a basis for appeal from the judgment or order:

The Court issued an order granting a motion for preliminary injunction.

**22. List all parties involved in the action or consolidated actions in the district court:**

(a) Parties:

Cross-Appellants/Plaintiffs: Albert Thomas; Jane Dunlap; John Dunlap; Barry Hay; Marie-Anne Alexander, as Trustee of the Marie-Annie Alexander Living Trust; Melissa Vagujhelyi and George Vagujhelyi, as Trustees of the George Vagujhelyi and Melissa Vagujhelyi 2001 Family Trust Agreement, u/t/a April 13, 2001; D' Arcy Nunn; Henry Nunn; Madelyn Van Der Bokke; Lee Van Der Bokke; Donald Schreifels; Robert R. Pederson, individually and as Trustee of the Pederson 1990

Trust; Lou Ann Pederson, individually and as Trustee of the Pederson 1990 Trust; Lori Ordovery; William A. Henderson, individually; Christine E. Henderson; Loren D. Parker; Suzanne C. Parker; Michael Izady; Steven Takaki; Farad Torabkhan; Sahar Tavakoli; M&Y Holdings, LLC; JL&YL Holdings, LLC; Sandi Raines; R. Raghuram; Usha Raghuram; Lori K. Tokutomi; Garret Tom; Anita Tom; Ramon Fadrilan; Faye Fadrilan; Peter K. Lee and Monica L. Lee, as Trustees of the Lee Family 2002 Revocable Trust; Dominic Yin; Elias Shamieh; Jeffrey Quinn; Barbara Rose Quinn; Kenneth Riche; Maxine Riche; Norman Chandler; Benton Wan; Timothy D. Kaplan; Silkscape Inc.; Peter Cheng; Elisa Cheng; Greg A. Cameron; TMI Property Group, LLC; Richard Lutz; Sandra Lutz; Mary A. Kossick; Melvin Cheah; Di Shen; Nadine's Real Estate Investments, LLC; Ajit Gupta; Seema Gupta; Fredrick Fish; Lisa Fish; Robert A. Williams; Jacquelin Pham; May Ann Hom, as Trustee of the May Ann Hom Trust; Michael Hurley; Dominic Yin; Duane Windhorst; Marilyn Windhorst; Vinod Bhan; Anne Bhan; Guy P. Browne; Garth A. Williams; Pamela Y. Aratani; Darlene Lindgren; Laverne Roberts; Doug Mecham; Christine Mecham; Kwangsoo Son; Soo Yeun Moon; Johnson Akinbodunse; Irene Weiss, as Trustee of the Weiss Family Trust; Pravesh Chopra; Terry Pope; Nancy Pope; James Taylor; Ryan Taylor; Ki Ham; Young Ja Choi; Sang Dae Sohn; Kuk Hyung (Connie); Sang (Mike) Yoo; Brett Menmuir, as Trustee of the Cayenne Trust; William Miner, Jr.; Chanh Truong; Elizabeth Anders Mecua; Shepherd Mountain, LLC; Robert Brunner; Amy Brunner; Jeff Riopelle; Patricia M. Moll, and Daniel Moll

Cross-Respondents/Defendants: MEI-GSR holdings, LLC, a Nevada limited liability company; Grand Sierra Resort Unit Owners' Association, a Nevada nonprofit corporation; AM-GSR Holdings, LLC, a Nevada limited liability company; and Gage Village Commercial Development LLC, a Nevada limited liability company.

(b) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, e.g., formally dismissed, not served, or other:

N/A

**23. Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims, or third-party claims and the date of formal disposition of each claim.**

RESPONDENTS' DOCKETING STATEMENT

Cross-Appellants/Plaintiffs asserted: (1) petition for appointment of receiver as to Defendant Grand Sierra Resort Unit Owners' Association, (2) Intentional and/or Negligent Misrepresentation as to Defendant MEI-GSR Holdings, LLC, (3) Breach of Contract as to Defendant MEI-GSR Holdings, LLC, (4) Quasi-Contract / Equitable Contract / Detrimental Reliance as to Defendant MEI-GSR Holdings, LLC, (5) Breach of the Implied Covenant of Good Faith and Fair Dealing as to Defendant MEI-GSR Holdings, LLC, (6) Consumer Fraud / Nevada Deceptive Trade Practices Act against Defendant MEI-GSR Holdings, LLC, (7) Declaratory Relief as to Defendant MEI-GSR Holdings, LLC, (8) Conversion as to Defendant MEI-GSR Holdings, LLC, (9) Demand for Accounting as to Defendants MEI-GSR Holdings, LLC and Grand Sierra Unit Owners Association, (10) Specific Performance pursuant to NRS 116.112, Unconscionable Agreement, (11) Unjust Enrichment / Quantum Meruit against Defendant Gage Village Development, LLC, and (12) Tortious Interference with Contract and/or Prospective Business Advantage against Defendants MEI-GSR Holdings, LLC and Gage Village Development, LLC.

Cross-Respondents/Defendants asserted counter-claims, but the District Court struck Cross-Respondents' answer and each of the counter-claims set forth therein as a sanction.

**24. Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action or consolidated actions below?**

☐ Yes

☒ No

**25. If you answered "No" to question 24, complete the following:**

- (a) Specify the claims remaining pending below: All claims remain pending.
- (b) Specify the parties remaining below: All parties remain below.
- (c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b)?

☐ Yes

☒ No

☐ N/A

(d) Did the district court make an express determination, pursuant to NRC 54(b), that there is no just reason for delay and an express direction for the entry of judgment?

☐ Yes

☒ No

☐ N/A

**26.If you answered "No" to any part of question 25, explain the basis for seeking appellate review (e.g., order is independently appealable under NRAP 3A(b)):**

The order at issue is appealable pursuant to NRAP 3A(b)(3) as it granted injunctive relief.

**27.Attach file-stamped copies of the following documents:**

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
- Any tolling motion(s) and order(s) resolving tolling motion(s)
- Orders of NRC 41(a) dismissals formally resolving each claim, counterclaims, cross-claims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
- Any other order challenged on appeal
- Notices of entry for each attached order

## VERIFICATION

**I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.**

Albert Thomas, et al.

Names of Appellants

February 9, 2023

Date

Washoe County, Nevada

State and county where signed

Dated: this 9<sup>th</sup> day of February, 2023.

Jarrad C. Miller

Name of counsel of record

/s/ Jarrad C. Miller

Signature of counsel of record

JARRAD C. MILLER, ESQ. (SBN 7093)  
BRIANA N. COLLINGS, ESQ. (SBN 14694)  
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By: /s/ Jarrad C. Miller

Jarrad C. Miller, Esq.

*Attorneys for Respondents*

## ATTACHMENT

### Question 2:

Cross-Appellants are Albert Thomas; Jane Dunlap; John Dunlap; Barry Hay; Marie-Anne Alexander, as Trustee of the Marie-Annie Alexander Living Trust; Melissa Vagujhelyi and George Vagujhelyi, as Trustees of the George Vagujhelyi and Melissa Vagujhelyi 2001 Family Trust Agreement, u/t/a April 13, 2001; D' Arcy Nunn; Henry Nunn; Madelyn Van Der Bokke; Lee Van Der Bokke; Donald Schreifels; Robert R. Pederson, individually and as Trustee of the Pederson 1990 Trust; Lou Ann Pederson, individually and as Trustee of the Pederson 1990 Trust; Lori Ordovery; William A. Henderson, individually; Christine E. Henderson; Loren D. Parker; Suzanne C. Parker; Michael Izady; Steven Takaki; Farad Torabkhan; Sahar Tavakoli; M&Y Holdings, LLC; JL&YL Holdings, LLC; Sandi Raines; R. Raghuram; Usha Raghuram; Lori K. Tokutomi; Garret Tom; Anita Tom; Ramon Fadrilan; Faye Fadrilan; Peter K. Lee and Monica L. Lee, as Trustees of the Lee Family 2002 Revocable Trust; Dominic Yin; Elias Shamieh; Jeffrey Quinn; Barbara Rose Quinn; Kenneth Riche; Maxine Riche; Norman Chandler; Benton Wan; Timothy D. Kaplan; Silkscape Inc.; Peter Cheng; Elisa Cheng; Greg A. Cameron; TMI Property Group, LLC; Richard Lutz; Sandra Lutz; Mary A. Kossick; Melvin Cheah; Di Shen; Nadine's Real Estate Investments, LLC; Ajit Gupta; Seema Gupta; Fredrick Fish; Lisa Fish; Robert A. Williams; Jacquelin Pham; May Ann Hom, as Trustee of the May Ann Hom Trust; Michael Hurley; Dominic Yin; Duane Windhorst; Marilyn Windhorst; Vinod Bhan; Anne Bhan; Guy P. Browne; Garth A. Williams; Pamela Y. Aratani; Darlene Lindgren; Laverne Roberts; Doug Mecham; Christine Mecham; Kwangsoo Son; Soo Yeun Moon; Johnson Akinbodunse; Irene Weiss, as Trustee of the Weiss Family Trust; Pravesh Chopra; Terry Pope; Nancy Pope; James Taylor; Ryan Taylor; Ki Ham; Young Ja Choi; Sang Dae Sohn; Kuk Hyung (Connie); Sang (Mike) Yoo; Brett Menmuir, as Trustee of the Cayenne Trust; William Miner, Jr.; Chanh Truong; Elizabeth Anders Mecua; Shepherd Mountain, LLC; Robert Brunner; Amy Brunner; Jeff Riopelle; Patricia M. Moll, and Daniel Moll.

Cross-Defendants are MEI-GSR Holdings, LLC, a Nevada limited liability company; Grand Sierra Resort Unit Owners' Association, a Nevada nonprofit



corporation; Gage Village Commercial Development, LLC, a Nevada limited liability company; and AM-GSR Holdings, LLC, a Nevada limited liability company.

## **CERTIFICATE OF SERVICE**

I hereby certify that I am an employee of Robertson, Johnson, Miller & Williamson, over the age of eighteen, and not a party to the within action. I further certify that on February 9, 2023, I electronically filed the foregoing with the Clerk of the Court by using the ECF system which served the following parties electronically:

Jordan T. Smith, Esq.  
Pisanelli Bice PLLC  
400 South 7<sup>th</sup> Street, Suite 300  
Las Vegas, NV 89101  
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MEI-GSR Holdings, LLC;  
Gage Village Commercial  
Development, LLC; and  
AM-GSR Holdings, LLC*

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Stefanie T. Sharp, Esq.  
Robison, Sharp Sullivan & Brust  
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Reno, NV 89503  
*Attorneys for Receiver  
Richard M. Teichner*

Abran Vigil, Esq.  
Meruelo Group, LLC  
Legal Services Department  
5<sup>th</sup> Floor Executive Offices  
2535 Las Vegas Boulevard South  
Las Vegas, NV 89109  
*Attorneys for Appellants  
MEI-GSR Holdings, LLC;  
Gage Village Commercial  
Development, LLC; and  
AM-GSR Holdings, LLC*

Ann O. Hall, Esq.  
David C. McElhinney, Esq.  
Meruelo Group, LLC  
2500 E. 2<sup>nd</sup> Street  
Reno, NV 89595  
*Attorney for Appellants  
MEI-GSR Holdings, LLC;  
Gage Village Commercial  
Development, LLC; and  
AM-GSR Holdings, LLC*

/s/ Stefanie Martinez  
An Employee of Robertson, Johnson,  
Miller & Williamson

### **Index of Exhibits**

<b><u>Exhibit</u></b>	<b><u>Description</u></b>	<b><u>Pages</u></b>
1	Second Amended Complaint, filed March 26, 2013	26
2	Answer to Second Amended Complaint and Counterclaim, filed May 23, 2013	17
3	Order re Motion for Preliminary Injunction, filed December 5, 2022	9
4	Notice of Entry of December 5, 2022 Order, filed December 5, 2022	14

EXHIBIT “1”

EXHIBIT “1”

EXHIBIT “1”

1 CODE: 1090  
2 G. David Robertson, Esq. (NV Bar No. 1001)  
3 Jarrad C. Miller, Esq. (NV Bar No. 7093)  
4 Jonathan J. Tew, Esq. (NV Bar No. 11874)  
5 Robertson, Johnson, Miller & Williamson  
6 50 West Liberty Street, Suite 600  
7 Reno, Nevada 89501  
8 (775) 329-5600  
9 Attorneys for Plaintiffs

6 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

7 **IN AND FOR THE COUNTY OF WASHOE**

9 ALBERT THOMAS, individually; JANE  
10 DUNLAP, individually; JOHN DUNLAP,  
11 individually; BARRY HAY, individually;  
12 MARIE-ANNE ALEXANDER, as Trustee of  
13 the MARIE-ANNIE ALEXANDER LIVING  
14 TRUST; MELISSA VAGUJHELYI and  
15 GEORGE VAGUJHELYI, as Trustees of the  
16 GEORGE VAGUJHELYI AND MELISSA  
17 VAGUJHELYI 2001 FAMILY TRUST  
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19 ARCY NUNN, individually; HENRY  
20 NUNN, individually; MADELYN VAN DER  
21 BOKKE, individually; LEE VAN DER  
22 BOKKE, individually; DONALD  
23 SCHREIFELS, individually; ROBERT R.  
24 PEDERSON, individually and as Trustee of  
25 the PEDERSON 1990 TRUST; LOU ANN  
26 PEDERSON, individually and as Trustee of  
27 the PEDERSON 1990 TRUST; LORI  
28 ORDOVER, individually; WILLIAM A.  
HENDERSON, individually; CHRISTINE E.  
HENDERSON, individually; LOREN D.  
PARKER, individually; SUZANNE C.  
PARKER, individually; MICHAEL IZADY,  
individually; STEVEN TAKAKI,  
individually; FARAD TORABKHAN,  
individually; SAHAR TAVAKOL,  
individually; M&Y HOLDINGS, LLC;  
JL&YL HOLDINGS, LLC; SANDI RAINES,  
individually; R. RAGHURAM, individually;  
USHA RAGHURAM, individually; LORI K.  
TOKUTOMI, individually; GARRET TOM,  
individually; ANITA TOM, individually;  
RAMON FADRILAN, individually; FAYE  
FADRILAN, individually; PETER K. LEE  
and MONICA L. LEE, as Trustees of the LEE  
FAMILY 2002 REVOCABLE TRUST;  
DOMINIC YIN, individually; ELIAS  
SHAMIEH, individually; JEFFREY QUINN,

Case No. CV12-02222  
Dept. No. 10

**SECOND AMENDED COMPLAINT**

1 individually; BARBARA ROSE QUINN  
individually; KENNETH RICHE,  
2 individually; MAXINE RICHE, individually;  
NORMAN CHANDLER, individually;  
3 BENTON WAN, individually; TIMOTHY D.  
KAPLAN, individually; SILKSCAPE INC.;  
4 PETER CHENG, individually; ELISA  
CHENG, individually; GREG A.  
5 CAMERON, individually; TMI PROPERTY  
GROUP, LLC; RICHARD LUTZ,  
6 individually; SANDRA LUTZ, individually;  
MARY A. KOSSICK, individually; MELVIN  
7 CHEAH, individually; DI SHEN,  
individually; NADINE'S REAL ESTATE  
8 INVESTMENTS, LLC; AJIT GUPTA,  
individually; SEEMA GUPTA, individually;  
9 FREDRICK FISH, individually; LISA FISH,  
individually; ROBERT A. WILLIAMS,  
10 individually; JACQUELIN PHAM,  
individually; MAY ANN HOM, as Trustee of  
11 the MAY ANN HOM TRUST; MICHAEL  
HURLEY, individually; DOMINIC YIN,  
12 individually; DUANE WINDHORST,  
individually; MARILYN WINDHORST,  
13 individually; VINOD BHAN, individually;  
ANNE BHAN, individually; GUY P.  
14 BROWNE, individually; GARTH A.  
WILLIAMS, individually; PAMELA Y.  
15 ARATANI, individually; DARLENE  
LINDGREN, individually; LAVERNE  
16 ROBERTS, individually; DOUG MECHAM,  
individually; CHRISINE MECHAM,  
17 individually; KWANGSOO SON,  
individually; SOO YEUN MOON,  
18 individually; JOHNSON AKINDODUNSE,  
individually; IRENE WEISS, as Trustee of  
19 the WEISS FAMILY TRUST; PRAVESH  
CHOPRA, individually; TERRY POPE,  
20 individually; NANCY POPE, individually;  
JAMES TAYLOR, individually; RYAN  
21 TAYLOR, individually; KI HAM,  
individually; YOUNG JA CHOI,  
22 individually; SANG DAE SOHN,  
individually; KUK HYUNG (CONNIE),  
23 individually; SANG (MIKE) YOO,  
individually; BRETT MENMUIR, as Trustee  
24 of the CAYENNE TRUST; WILLIAM  
MINER, JR., individually; CHANH  
25 TRUONG, individually; ELIZABETH  
ANDERS MECUA, individually;  
26 SHEPHERD MOUNTAIN, LLC; ROBERT  
BRUNNER, individually; AMY BRUNNER,  
27 individually; JEFF RIOPELLE, individually;  
PATRICIA M. MOLL, individually;  
28 DANIEL MOLL, individually; and DOE

1 PLAINTIFFS 1 THROUGH 10, inclusive,

2 Plaintiffs,

3 vs.

4 MEI-GSR Holdings, LLC, a Nevada Limited  
5 Liability Company, GRAND SIERRA  
6 RESORT UNIT OWNERS' ASSOCIATION,  
7 a Nevada nonprofit corporation, GAGE  
8 VILLAGE COMMERCIAL  
9 DEVELOPMENT, LLC, a Nevada Limited  
10 Liability Company and DOE DEFENDANTS  
11 1 THROUGH 10, inclusive,

12 Defendants.

13 COME NOW Plaintiffs ("Plaintiffs" or "Individual Unit Owners"), by and through their  
14 counsel of record, Robertson, Johnson, Miller & Williamson, and for their causes of action  
15 against Defendants hereby complain as follows:

16 **GENERAL ALLEGATIONS**

17 **The Parties**

18 1. Plaintiff Albert Thomas is a competent adult and is a resident of the State of  
19 California.

20 2. Plaintiff Jane Dunlap is a competent adult and is a resident of the State of  
21 California.

22 3. Plaintiff John Dunlap is a competent adult and is a resident of the State of  
23 California.

24 4. Plaintiff Barry Hay is a competent adult and is a resident of the State of  
25 California.

26 5. Plaintiff Marie-Annie Alexander, as Trustee of the Marie-Annie Alexander Living  
27 Trust, is a competent adult and is a resident of the State of California.

28 6. Plaintiff Melissa Vagujhelyi, as Co-Trustee of the George Vagujhelyi and Melissa  
Vagujheyli 2001 Family Trust Agreement U/T/A April 13, 2001, is a competent adult and is a  
resident of the State of Nevada.

1           7.       Plaintiff George Vagujhelyi, as Co-Trustee of the George Vagujhelyi and Melissa  
2 Vagujhelyi 2001 Family Trust Agreement U/T/A April 13, 2001, is a competent adult and is a  
3 resident of the State of Nevada.

4           8.       Plaintiff D'Arcy Nunn is a competent adult and is a resident of the State of  
5 California.

6           9.       Plaintiff Henry Nunn is a competent adult and is a resident of the State of  
7 California.

8           10.      Plaintiff Lee Van Der Bokke is a competent adult and is a resident of the State of  
9 California.

10          11.      Plaintiff Madelyn Van Der Bokke is a competent adult and is a resident of the  
11 State of California.

12          12.      Plaintiff Donald Schreifels is a competent adult and is a resident of the State of  
13 Minnesota.

14          13.      Plaintiff Robert R. Pederson, individually and as Trustee of the Pederson 1990  
15 Trust, is a competent adult and is a resident of the State of California.

16          14.      Plaintiff Lou Ann Pederson, individually and as Trustee of the Pederson 1990  
17 Trust, is a competent adult and is a resident of the State of California.

18          15.      Plaintiff Lori Ordoover is a competent adult and is a resident of the State of  
19 Connecticut.

20          16.      Plaintiff William A. Henderson is a competent adult and is a resident of the State  
21 of California.

22          17.      Plaintiff Christine E. Henderson is a competent adult and is a resident of the State  
23 of California.

24          18.      Plaintiff Loren D. Parker is a competent adult and is a resident of the State of  
25 Washington.

26          19.      Plaintiff Suzanne C. Parker is a competent adult and is a resident of the State of  
27 Washington.



- 1           20.     Plaintiff Michael Izady is a competent adult and is a resident of the State of New  
2     York.
- 3           21.     Plaintiff Steven Takaki is a competent adult and is a resident of the State of  
4     California.
- 5           22.     Plaintiff Farad Torabkhan is a competent adult and is a resident of the State of  
6     New York.
- 7           23.     Plaintiff Sahar Tavakol is a competent adult and is a resident of the State of New  
8     York.
- 9           24.     Plaintiff M&Y Holdings is a Nevada Limited Liability Company with its  
10    principal place of business in Nevada.
- 11          25.     Plaintiff JL&YL Holdings, LLC is a Nevada Limited Liability Company with its  
12    principal place of business in Nevada.
- 13          26.     Plaintiff Sandi Raines is a competent adult and is a resident of the State of  
14    Minnesota.
- 15          27.     Plaintiff R. Raghuram is a competent adult and is a resident of the State of  
16    California.
- 17          28.     Plaintiff Usha Raghuram is a competent adult and is a resident of the State of  
18    California.
- 19          29.     Plaintiff Lori K. Tokutomi is a competent adult and is a resident of the State of  
20    California.
- 21          30.     Plaintiff Garrett Tom is a competent adult and is a resident of the State of  
22    California.
- 23          31.     Plaintiff Anita Tom is a competent adult and is a resident of the State of  
24    California.
- 25          32.     Plaintiff Ramon Fadrilan is a competent adult and is a resident of the State of  
26    California.
- 27          33.     Plaintiff Faye Fadrilan is a competent adult and is a resident of the State of  
28    California.

1           34.     Plaintiff Peter K. Lee, as Trustee of the Lee Family 2002 Revocable Trust, is a  
2 competent adult and is a resident of the State of California.

3           35.     Plaintiff Monica L. Lee, as Trustee of the Lee Family 2002 Revocable Trust, is a  
4 competent adult and is a resident of the State of California.

5           36.     Plaintiff Dominic Yin is a competent adult and is a resident of the State of  
6 California.

7           37.     Plaintiff Elias Shamieh is a competent adult and is a resident of the State of  
8 California.

9           38.     Plaintiff Nadine's Real Estate Investments, LLC, is a North Dakota Limited  
10 Liability Company.

11          39.     Plaintiff Jeffery James Quinn is a competent adult and is a resident of the State of  
12 Hawaii.

13          40.     Plaintiff Barbara Rose Quinn is a competent adult and is a resident of the State of  
14 Hawaii.

15          41.     Plaintiff Kenneth Riche is a competent adult and is a resident of the State of  
16 Wisconsin.

17          42.     Plaintiff Maxine Riche is a competent adult and is a resident of the State of  
18 Wisconsin.

19          43.     Plaintiff Norman Chandler is a competent adult and is a resident of the State of  
20 Alabama.

21          44.     Plaintiff Benton Wan is a competent adult and is a resident of the State of  
22 California.

23          45.     Plaintiff Timothy Kaplan is a competent adult and is a resident of the State of  
24 California.

25          46.     Plaintiff Silkscape Inc. is a California Corporation.

26          47.     Plaintiff Peter Cheng is a competent adult and is a resident of the State of  
27 California.

1           48.     Plaintiff Elisa Cheng is a competent adult and is a resident of the State of  
2 California.

3           49.     Plaintiff Greg A. Cameron is a competent adult and is a resident of the State of  
4 California.

5           50.     Plaintiff TMI Property Group, LLC is a California Limited Liability Company.

6           51.     Plaintiff Richard Lutz is a competent adult and is a resident of the State of  
7 California.

8           52.     Plaintiff Sandra Lutz is a competent adult and is a resident of the State of  
9 California.

10          53.     Plaintiff Mary A. Kossick is a competent adult and is a resident of the State of  
11 California.

12          54.     Plaintiff Melvin H. Cheah is a competent adult and is a resident of the State of  
13 California.

14          55.     Plaintiff Di Shen is a competent adult and is a resident of the State of Texas.

15          56.     Plaintiff Ajit Gupta is a competent adult and is a resident of the State of  
16 California.

17          57.     Plaintiff Seema Gupta is a competent adult and is a resident of the State of  
18 California.

19          58.     Plaintiff Fredrick Fish is a competent adult and is a resident of the State of  
20 Minnesota.

21          59.     Plaintiff Lisa Fish is a competent adult and is a resident of the State of Minnesota.

22          60.     Plaintiff Robert A. Williams is a competent adult and is a resident of the State of  
23 Minnesota.

24          61.     Plaintiff Jacquelin Pham is a competent adult and is a resident of the State of  
25 California.

26          62.     Plaintiff May Ann Hom, as Trustee of the May Ann Hom Trust, is a competent  
27 adult and is a resident of the State of California.

28

1           63.     Plaintiff Michael Hurley is a competent adult and is a resident of the State of  
2 Minnesota.  
3           64.     Plaintiff Dominic Yin is a competent adult and is a resident of the State of  
4 California.  
5           65.     Plaintiff Duane Windhorst is a competent adult and is a resident of the State of  
6 Minnesota.  
7           66.     Plaintiff Marilyn Windhorst is a competent adult and is a resident of the State of  
8 Minnesota.  
9           67.     Plaintiff Vinod Bhan is a competent adult and is a resident of the State of  
10 California.  
11          68.     Plaintiff Anne Bhan is a competent adult and is a resident of the State of  
12 California.  
13          69.     Plaintiff Guy P. Browne is a competent adult and is a resident of the State of  
14 California.  
15          70.     Plaintiff Garth Williams is a competent adult and is a resident of the State of  
16 California.  
17          71.     Plaintiff Pamela Y. Aratani is a competent adult and is a resident of the State of  
18 California.  
19          72.     Plaintiff Darleen Lindgren is a competent adult and is a resident of the State of  
20 Minnesota.  
21          73.     Plaintiff Laverne Roberts is a competent adult and is a resident of the State of  
22 Nevada.  
23          74.     Plaintiff Doug Mecham is a competent adult and is a resident of the State of  
24 Nevada.  
25          75.     Plaintiff Chrisine Mecham is a competent adult and is a resident of the State of  
26 Nevada.  
27          76.     Plaintiff Kwangsoo Son is a competent adult and is a resident of Vancouver,  
28 British Columbia.

1           77.     Plaintiff Soo Yeun Moon is a competent adult and is a resident of Vancouver,  
2 British Columbia.

3           78.     Plaintiff Johnson Akindodunse is a competent adult and is a resident of the State  
4 of California.

5           79.     Plaintiff Irene Weiss, as Trustee of the Weiss Family Trust, is a competent adult  
6 and is a resident of the State of Texas.

7           80.     Plaintiff Pravesh Chopra is a competent adult and is a resident of the State of  
8 California.

9           81.     Plaintiff Terry Pope is a competent adult and is a resident of the State of Nevada.

10          82.     Plaintiff Nancy Pope is a competent adult and is a resident of the State of Nevada.

11          83.     Plaintiff James Taylor is a competent adult and is a resident of the State of  
12 California.

13          84.     Plaintiff Ryan Taylor is a competent adult and is a resident of the State of  
14 California.

15          85.     Plaintiff Ki Ham is a competent adult and is a resident of Surry B.C.

16          86.     Plaintiff Young Ja Choi is a competent adult and is a resident of Coquitlam, B.C.

17          87.     Plaintiff Sang Dae Sohn is a competent adult and is a resident of Vancouver, B.C.

18          88.     Plaintiff Kuk Hyung (“Connie”) is a competent adult and is a resident of  
19 Coquitlam, B.C.

20          89.     Plaintiff Sang (“Mike”) Yoo is a competent adult and is a resident of Coquitlam,  
21 British Columbia.

22          90.     Plaintiff Brett Menmuir, as Trustee of the Cayenne Trust, is a competent adult and  
23 is a resident of the State of Nevada.

24          91.     Plaintiff William Miner, Jr., is a competent adult and is a resident of the State of  
25 California.

26          92.     Plaintiff Chanh Truong is a competent adult and is a resident of the State of  
27 California.

1           93.     Plaintiff Elizabeth Anders Mecua is a competent adult and is a resident of the  
2 State of California.

3           94.     Plaintiff Shepherd Mountain, LLC is a Texas Limited Liability Company with its  
4 principal place of business in Texas.

5           95.     Plaintiff Robert Brunner is a competent adult and is a resident of the State of  
6 Minnesota.

7           96.     Plaintiff Amy Brunner is a competent adult and is a resident of the State of  
8 Minnesota.

9           97.     Plaintiff Jeff Riopelle is a competent adult and is a resident of the State of  
10 California.

11          98.     Plaintiff Patricia M. Moll is a competent adult and is a resident of the State of  
12 Illinois.

13          99.     Plaintiff Daniel Moll is a competent adult and is a resident of the State of Illinois.

14          100.    Plaintiffs are informed and believe and thereon allege that at all relevant times  
15 herein, Defendant MEI-GSR Holdings, LLC (“MEI-GSR”) is a Nevada Limited Liability  
16 Company with its principal place of business in Nevada.

17          101.    Plaintiffs are informed and believe and thereon allege that at all relevant times  
18 herein, Defendant Gage Village Commercial Development, LLC (“Gage Village”) is a Nevada  
19 Limited Liability Company with its principal place of business in Nevada.

20          102.    Plaintiffs are informed and believe and thereon allege that Gage Village is related  
21 to, controlled by, affiliated with, and/or a subsidiary of MEI-GSR.

22          103.    Plaintiffs are informed and believe and thereon allege that at all relevant times  
23 herein, Defendant Grand Sierra Resort Unit Owners’ Association (the “Unit Owners’  
24 Association”) is a Nevada nonprofit corporation with its principal place of business in Nevada.

25          104.    The true names and capacities whether individual, corporate, associate or  
26 otherwise of Plaintiff Does and Defendant Does 1 through 10, are unknown to Plaintiffs, and  
27 Plaintiffs therefore include them by such fictitious names. Plaintiffs will amend this Complaint  
28 to allege their true names and capacities when such are ascertained. Plaintiffs are informed and

believe and thereon allege that each of the fictitiously named Defendant Does is liable to Plaintiffs in some manner for the occurrences that are herein alleged.

**MEI-GSR's Control of the Unit Owners' Association is to Plaintiffs' Detriment**

105. The Individual Unit Owners re-allege each and every allegation contained in paragraphs 1 through 102 of this Complaint as though fully stated herein and hereby incorporate them by this reference as if fully set forth below.

106. The Grand Sierra Resort Condominium Units ("GSR Condo Units") are part of the Grand Sierra Unit Owners Association, which is an apartment style hotel condominium development of 670 units in one 27-story building. The GSR Condo Units occupy floors 17 through 24 of the Grand Sierra Resort and Casino, a large-scale hotel casino, located at 2500 East Second Street, Reno, Nevada.

107. All of the Individual Unit Owners: hold an interest in, own, or have owned, one or more GSR Condo Units.

108. Defendants Gage Village and MEI-GSR own multiple GSR Condo Units.

109. Defendant MEI-GSR owns the Grand Sierra Resort and Casino.

110. Under the Declaration of Covenants, Conditions, Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort ("CC&Rs"), there is one voting member for each unit of ownership (thus, an owner with multiple units has multiple votes).

111. Because Defendants MEI-GSR and Gage Village control more units of ownership than any other person or entity, they effectively control the Unit Owners' Association by having the ability to elect Defendant MEI-GSR's chosen representatives to the Board of Directors (the governing body over the GSR Condo Units).

112. As a result of Defendants MEI-GSR and Gage Village controlling the Unit Owners' Association, the Individual Unit Owners effectively have no input or control over the management of the Unit Owners' Association.

113. Defendants MEI-GSR and Gage Village have used, and continue to use, their control over the Defendant Unit Owners' Association to advance Defendants MEI-GSR and Gage Villages' economic objectives to the detriment of the Individual Unit Owners.

1           114. Defendants MEI-GSR and Gage Villages' control of the Unit Owners'  
2 Association violates Nevada law as it defeats the purpose of forming and maintaining a  
3 homeowners' association.

4           115. Further, the Nevada Division of Real Estate requires a developer to sell off the  
5 units within 7 years, exit and turn over the control and management to the owners.

6           116. Under the CC&Rs, the Individual Unit Owners are required to enter into a "Unit  
7 Maintenance Agreement" and participate in the "Hotel Unit Maintenance Program," wherein  
8 Defendant MEI-GSR provides certain services (including, without limitation, reception desk  
9 staffing, in-room services, guest processing services, housekeeping services, Hotel Unit  
10 inspection, repair and maintenance services, and other services).

11           117. The Unit Owners' Association maintains capital reserve accounts that are funded  
12 by the owners of GSR Condo Units. The Unit Owners' Association collects association dues of  
13 approximately \$25 per month per unit, with some variation depending on a particular unit's  
14 square footage.

15           118. The Individual Unit Owners pay for contracted "Hotel Fees," which include taxes,  
16 deep cleaning, capital reserve for the room, capital reserve for the building, routine maintenance,  
17 utilities, etc.

18           119. Defendant MEI-GSR has systematically allocated and disproportionately charged  
19 capital reserve contributions to the Individual Unit Owners, so as to force the Individual Unit  
20 Owners to pay capital reserve contributions in excess of what should have been charged.

21           120. Defendants MEI-GSR and Gage Development have failed to pay proportionate  
22 capital reserve contribution payments in connection with their Condo Units.

23           121. Defendant MEI-GSR has failed to properly account for, or provide an accurate  
24 accounting for the collection and allocation of the collected capital reserve contributions.

25           122. The Individual Unit Owners also pay "Daily Use Fees" (a charge for each night a  
26 unit is occupied by any guest for housekeeping services, etc.).

27           123. Defendants MEI-GSR and Gage Village have failed to pay proportionate Daily  
28 Use Fees for the use of Defendants' GSR Condo Units.



124. Defendant MEI-GSR has failed to properly account for the contracted “Hotel Fees” and “Daily Use Fees.”

125. Further, the Hotel Fees and Daily Use Fees are not included in the Unit Owners' Association's annual budget with other assessments that provide the Individual Unit Owners' the ability to reject assessment increases and proposed budget ratification.

126. Defendant MEI-GSR has systematically endeavored to increase the various fees that are charged in connection with the use of the GSR Condo Units in order to devalue the units owned by Individual Unit Owners.

127. The Individual Unit Owners' are required to abide by the unilateral demands of MEI-GSR, through its control of the Unit Owners' Association, or risk being considered in default under Section 12 of the Agreement, which provides lien and foreclosure rights pursuant to Section 6.10(f) of the CC&R's.

128. Defendants MEI-GSR and/or Gage Village have attempted to purchase, and purchased, units devalued by their own actions, at nominal, distressed prices when Individual Unit Owners decide to, or are effectively forced to, sell their units because the units fail to generate sufficient revenue to cover expenses.

129. Defendant MEI-GSR and/or Gage Village have, in late 2011 and 2012, purchased such devalued units for \$30,000 less than the amount they purchased units for in March of 2011.

130. The Individual Unit Owners effectively pay association dues to fund the Unit Owners' Association, which acts contrary to the best interests of the Individual Unit Owners.

131. Defendant MEI-GSR's interest in maximizing its profits is in conflict with the interest of the Individual Unit Owners. Accordingly, Defendant MEI-GSR's control of the Unit Owners' Association is a conflict of interest.

## **MEI-GSR's Rental Program**

132. As part of Defendant MEI-GSR's Grand Sierra Resort and Casino business operations, it rents: (1) hotel rooms owned by Defendant MEI-GSR that are not condominium

1 units; (2) GSR Condo Units owned by Defendant MEI-GSR and/or Gage Village; and (3) GSR  
2 Condo Units owned by the Individual Condo Unit Owners.

3 133. Defendant MEI-GSR has entered into a Grand Sierra Resort Unit Rental  
4 Agreement with Individual Unit Owners.

5 134. Defendant MEI-GSR has manipulated the rental of the: (1) hotel rooms owned by  
6 Defendant MEI-GSR; (2) GSR Condo Units owned by Defendant MEI-GSR and/or Gage  
7 Village; and (3) GSR Condo Units owned by Individual Condo Unit Owners so as to maximize  
8 Defendant MEI-GSR's profits and devalue the GSR Condo Units owned by the Individual Unit  
9 Owners.

10 135. Defendant MEI-GSR has rented the Individual Condo Units for as little as \$0.00  
11 to \$25.00 a night.

12 136. Yet, MEI-GSR has charged "Daily Use Fees" of approximately \$22.38, resulting  
13 in revenue to the Individual Unit Owners as low as \$2.62 per night for the use of their GSR  
14 Condo Unit (when the unit was rented for a fee as opposed to being given away).

15 137. By functionally, and in some instances actually, giving away the use of units  
16 owned by the Individual Unit Owners, Defendant MEI-GSR has received a benefit because those  
17 who rent the Individual Units frequently gamble and purchase food, beverages, merchandise, spa  
18 services and entertainment access from Defendant MEI-GSR.

19 138. Defendant MEI-GSR has rented Individual Condo Units to third parties without  
20 providing Individual Unit Owners with any notice or compensation for the use of their unit.

21 139. Further, Defendant MEI-GSR has systematically endeavored to place a priority on  
22 the rental of Defendant MEI-GSR's hotel rooms, Defendant MEI-GSR's GSR Condo Units, and  
23 Defendant Gage Village's Condo Units.

24 140. Such prioritization effectively devalues the units owned by the Individual Unit  
25 Owners.

26 141. Defendants MEI-GSR and Gage Village intend to purchase the devalued units at  
27 nominal, distressed prices when Individual Unit Owners decide to, or are effectively forced to,  
28

1 sell their units because the units fail to generate sufficient revenue to cover expenses and have no  
2 prospect of selling their persistently loss-making units to any other buyer.

3 142. Some of the Individual Unit Owners have retained the services of a third party to  
4 market and rent their GSR Condo Unit(s).

5 143. Defendant MEI-GSR has systematically thwarted the efforts of any third party to  
6 market and rent the GSR Units owned by the Individual Unit Owners.

7 144. Defendant MEI-GSR has breached the Grand Sierra Resort Unit Rental  
8 Agreement with Individual Condo Unit Owners by failing to follow its terms, including but not  
9 limited to, the failure to implement an equitable Rotational System as referenced in the  
10 agreement.

11 145. Defendant MEI-GSR has failed to act in good faith in exercising its duties under  
12 the Grand Sierra Resort Unit Rental Agreements with the Individual Unit Owners.

13 **FIRST CLAIM FOR RELIEF**  
14 **(Petition for Appointment of Receiver as to**  
15 **Defendant Grand Sierra Resort Unit Owners' Association)**

16 146. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
17 143 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
18 as if fully set forth below.

19 147. Because Defendant MEI-GSR and/or Gage Village controls more units of  
20 ownership than any other person or entity, Defendant MEI-GSR and Gage Village effectively  
21 control the Grand Sierra Resort Unit Owners' Association by having the ability to elect  
22 Defendant MEI-GSR's chosen representatives to the Board of Directors (the governing body  
23 over the GSR Condo Units).

24 148. As a result of Defendant MEI-GSR controlling the Grand Sierra Resort Unit-  
25 Owners' Association, Plaintiffs effectively have no input or control over the management of the  
26 Unit Owners' Association.

1           149. Defendant MEI-GSR has used, and continues to use, its control over the  
2 Defendant Grand Sierra Resort Unit Owners' Association to advance Defendant MEI-GSR's  
3 economic objectives to the detriment of Plaintiffs.

4           150. Plaintiffs are entitled to a receiver pursuant to NRS § 32.010.

5           151. Pursuant to NRS § 32.010, the appointment of a receiver is appropriate in this  
6 case as a matter of statute and equity.

7           152. Unless a receiver is appointed, Defendant MEI-GSR will continue to control the  
8 Unit Owners' Association to advance Defendant MEI-GSR's economic objections to the  
9 detriment of Plaintiffs.

10          153. Without the grant of the remedies sought in this Complaint, Plaintiffs have no  
11 adequate remedy at law to enforce their rights and Plaintiffs will suffer irreparable harm unless  
12 granted the relief as prayed for herein.

13           **WHEREFORE**, Plaintiffs request judgment against the Defendant Grand Sierra Resort  
14 Unit Owners' Association, as set forth below.

15                           **SECOND CLAIM FOR RELIEF**  
16                   **(Intentional and/or Negligent Misrepresentation as to Defendant MEI-GSR)**

17          154. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
18 151 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
19 as if fully set forth below.

20          155. Defendant MEI-GSR made affirmative representations to Plaintiffs regarding the  
21 use, rental and maintenance of the Individual Unit Owners' GSR Condo Units.

22          156. Plaintiffs are now informed and believe, and thereon allege, that these  
23 representations were false.

24          157. The Defendant MEI-GSR knew that the affirmative representations were false, in  
25 the exercise of reasonable care should have known that they were false, and/or knew or should  
26 have known that it lacked a sufficient basis for making said representations.

1           158. The representations were made with the intention of inducing Plaintiffs to  
2 contract with Defendant MEI-GSR for the marketing and rental of Plaintiffs' GSR Condo Units  
3 and otherwise act, as set out above, in reliance upon the representations.

4           159. Plaintiffs justifiably relied upon the affirmative representations of Defendant  
5 MEI-GSR in contracting with Defendant MEI-GSR for the rental of their GSR Condo Units.

6           160. As a direct and proximate result of Defendant MEI-GSR's misrepresentations,  
7 Plaintiffs have been, and will continue to be, harmed in the manner herein.

8           161. Plaintiffs are further informed and believe, and thereon allege, that said  
9 representations were made by Defendant MEI-GSR with the intent to commit an oppression  
10 directed toward Plaintiffs by intentionally devaluing there GSR Condo Units. As a result,  
11 Plaintiffs are entitled to an award of exemplary damages against the Defendant, according to  
12 proof at the time of trial.

13           162. In addition, as a direct, proximate and necessary result of Defendant MEI-GSR's  
14 bad faith and wrongful conduct, Plaintiffs have been forced to incur costs and attorneys' fees and  
15 thus Plaintiffs hereby seek an award of said costs and attorneys' fees as damages pursuant to  
16 statute, decisional law, common law and this Court's inherent powers.

17           **WHEREFORE**, Plaintiffs request judgment against Defendant MEI-GSR, as set forth  
18 below.

19                                   **THIRD CLAIM FOR RELIEF**  
20                                   **(Breach of Contract as to Defendant MEI-GSR)**

21           163. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
22 160 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
23 as if fully set forth below.

24           164. Defendant MEI-GSR has entered into a Grand Sierra Resort Unit Rental  
25 Agreement (the "Agreement") with Individual Condo Unit Owners.

26           165. Defendant MEI-GSR has breached the Agreement with Individual Unit Owners  
27 by failing to follow its terms, including but not limited to, the failure to implement an equitable  
28 Rotational System as referenced in the agreement.

1           166. The Agreement is an enforceable contract between Defendant MEI-GSR and  
2 Plaintiffs.

3           167. Plaintiffs have performed all of their obligations and satisfied all of their  
4 conditions under the Agreement, and/or their performance and conditions were excused.

5           168. As a direct and proximate result of Defendant MEI-GSR's breaches of the  
6 Agreement as alleged herein, Plaintiffs have been, and will continue to be, harmed in the manner  
7 herein alleged.

8           169. In addition, as a direct, proximate and necessary result of Defendant's bad faith  
9 and wrongful conduct, Plaintiffs have been forced to incur costs and attorneys' fees which they  
10 are entitled to recover under the terms of the Agreement.

11           **WHEREFORE**, Plaintiffs request judgment against Defendant MEI-GSR, as set forth  
12 below.

13                                   **FOURTH CLAIM FOR RELIEF**  
14           **(Quasi-Contract/Equitable Contract/Detrimental Reliance as to Defendant MEI-GSR)**

15           170. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
16 167 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
17 as if fully set forth below.

18           171. Defendant MEI-GSR is contractually obligated to Plaintiffs. The contractual  
19 obligations are based upon the underlying agreements between Defendant MEI-GSR and  
20 Plaintiffs, and principles of equity and representations made by MEI-GSR.

21           172. Plaintiffs relied upon the representations of Defendant MEI-GSR and trusted  
22 Defendant MEI-GSR with the marketing and rental of their GSR Condo Units.

23           173. Due to the devaluation of the GSR Condo Units caused by Defendant MEI-GSR's  
24 actions, the expenses they have had to incur, and their inability to sell the Property in its current  
25 state, Plaintiffs have suffered damages.

26           174. Defendant MEI-GSR was informed of, and in fact knew of, Plaintiffs' reliance  
27 upon its representations.

175. Based on these facts, equitable or quasi-contracts existed between Plaintiffs and Defendant MEI-GSR's actions as described hereinabove.

176. Defendant MEI-GSR, however, has failed and refused to perform its obligations.

177. These refusals and failures constitute material breaches of their agreements.

178. Plaintiffs have performed all of their obligations and satisfied all conditions under the contracts, and/or their performance and conditions, under the contracts, were excused.

179. As a direct and proximate result of Defendant MEI-GSR's wrongful conduct as alleged herein, the Plaintiffs have been, and will continue to be, harmed in the manner herein alleged.

180. In addition, as a direct, proximate and necessary result of Defendant MEI-GSR's wrongful conduct, Plaintiffs have been forced to incur costs and attorneys' fees and thus Plaintiffs hereby seek an award of said costs and attorneys' fees as damages pursuant to statute, decisional law, common law and this Court's inherent powers.

**WHEREFORE**, Plaintiffs request judgment against Defendant MEI-GSR, as set forth below.

**FIFTH CLAIM FOR RELIEF**  
**(Breach of the Implied Covenant of Good Faith and Fair Dealing as to Defendant MEI-GSR)**

181. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through 178 of this Complaint as though fully stated herein and hereby incorporate them by this reference as if fully set forth below.

182. As alleged herein, Plaintiffs entered into one or more contracts with Defendant MEI-GSR, including the Grand Sierra Resort Unit Rental Agreement.

183. Under the terms of their respective agreement(s), Defendant MEI-GSR was obligated to market and rent Plaintiffs' GSR Condo Units.

184. Defendant MEI-GSR has manipulated the rental of: (1) the hotel rooms owned by Defendant MEI-GSR; (2) GSR Condo Units owned by Defendant MEI-GSR and Defendant Gage Village; and (3) GSR Condo Units owned by Plaintiffs so as to maximize Defendant MEI-GSR's profits and devalue the GSR Condo Units owned by Plaintiffs.

185. Every contract in Nevada has implied into it, a covenant that the parties thereto will act in the spirit of good faith and fair dealing.

186. Defendant MEI-GSR has breached this covenant by intentionally making false and misleading statements to Plaintiffs, and for its other wrongful actions as alleged in this Complaint.

187. As a direct and proximate result of Defendant MEI-GSR's breaches of the implied covenant of good faith and fair dealing, Plaintiffs have been, and will continue to be, harmed in the manner herein alleged.

188. In addition, as a direct, proximate and necessary result of Defendant MEI-GSR's bad faith and wrongful conduct, Plaintiffs have been forced to incur costs and attorneys' fees and thus Plaintiffs hereby seek an award of said costs and attorneys' fees as damages pursuant to statute, decisional law, common law and this Court's inherent powers.

**WHEREFORE**, Plaintiffs request judgment against Defendant MEI-GSR, as set forth below.

**SIXTH CLAIM FOR RELIEF**  
**(Consumer Fraud/Nevada Deceptive Trade Practices Act Against Defendant MEI-GSR)**

189. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through 186 of this Complaint as though fully stated herein and hereby incorporate them by this reference as if fully set forth below.

190. NRS § 41.600(1) provides that “[a]n action may be brought by any person who is a victim of consumer fraud.”

191. NRS § 41.600(2) explains, in part, “‘consumer fraud’ means . . . [a] deceptive trade practice as defined in NRS §§ 598.0915 to 598.0925, inclusive.”

192. NRS Chapter 598 identifies certain activities which constitute deceptive trade practices; many of those activities occurred in MEI-GSR's dealings with Plaintiffs.

193. Defendant MEI-GSR, in the course of its business or occupation, knowingly made false representations and/or misrepresentations to Plaintiffs.



1           194. Defendant MEI-GSR failed to represent the actual marketing and rental practices  
2 implemented by Defendant MEI-GSR, as the Defendant was contractually and legally required  
3 to do.

4           195. Defendant MEI-GSR's conduct, as described in this Complaint, constitutes  
5 deceptive trade practices and is in violation of, among other statutory provisions and  
6 administrative regulations, NRS §§ 598.0915 to 598.0925.

7           196. As a direct and proximate result of Defendant MEI-GSR's deceptive trade  
8 practices, Plaintiffs have suffered damages.

9           197. Plaintiffs are also entitled to recover their costs in this action and reasonable  
10 attorneys' fees, as allowed by law.

11           **WHEREFORE**, Plaintiffs request judgment against Defendant MEI-GSR, as set forth  
12 below.

13                                   **SEVENTH CLAIM FOR RELIEF**  
14                                   **(Declaratory Relief as to Defendant MEI-GSR)**

15           198. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
16 195 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
17 as if fully set forth below.

18           199. As alleged hereinabove, an actual controversy has arisen and now exists between  
19 Plaintiffs and Defendant MEI-GSR, regarding the extent to which Defendant MEI-GSR has the  
20 legal right to control the Grand Sierra Resort Unit-Owners' Association to advance Defendant  
21 MEI-GSR's economic objections to the detriment of Plaintiffs.

22           200. The interests of Plaintiffs and Defendant MEI-GSR are completely adverse as to  
23 the Plaintiffs.

24           201. Plaintiffs have a legal interest in this dispute as they are the owners of record of  
25 certain GSR Condo Units.

26           202. This controversy is ripe for judicial determination in that Plaintiffs have alluded to  
27 and raised this issue in this Complaint.

1           203. Accordingly, Plaintiffs seek a judicial declaration that Defendant MEI-GSR  
2 cannot control the Grand Sierra Resort Unit-Owners' Association to advance Defendant MEI-  
3 GSR's economic objectives to the detriment of Plaintiffs.

4           **WHEREFORE**, the Plaintiffs request judgment against Defendant MEI-GSR, as set  
5 forth below.

6                           **EIGHTH CLAIM FOR RELIEF**  
7                           **(Conversion as to Defendant MEI-GSR)**

8           204. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
9 201 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
10 as if fully set forth below.

11           205. Defendant MEI-GSR wrongfully committed a distinct act of dominion over the  
12 Plaintiffs' property by renting their GSR Condo Units both at unreasonably low rates so as to  
13 only benefit Defendant MEI-GSR, and also renting said units without providing any  
14 compensation or notice to Plaintiffs.

15           206. Defendant MEI-GSR's acts were in denial of, or inconsistent with, Plaintiffs' title  
16 or rights therein.

17           207. Defendant MEI-GSR's acts were in derogation, exclusion, or defiance of the  
18 Plaintiffs' title or rights therein.

19           **WHEREFORE**, Plaintiffs request judgment against the Defendant MEI-GSR, as set  
20 forth below.

21                           **NINTH CLAIM FOR RELIEF**  
22                           **(Demand for Accounting as to Defendant MEI-GSR and Defendant Grand Sierra Unit**  
23                           **Owners Association)**

24           208. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
25 205 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
26 as if fully set forth below.

27           209. The Nevada Revised Statutes impose certain duties and obligations upon trustees,  
28 fiduciaries, managers, advisors, and investors.

1           210. Defendant MEI-GSR has not fulfilled its duties and obligations.

2           211. Plaintiffs are informed and believe, and thereon allege, that they are interested  
3 parties in the Defendant Grand Sierra Unit Owners Association and Defendant MEI-GSR's  
4 endeavors to market, maintain, service and rent Plaintiffs' GSR Condo Units.

5           212. Among their duties, Defendant Grand Sierra Unit Owners Association and  
6 Defendant MEI-GSR are required to prepare accountings of their financial affairs as they pertain  
7 to Plaintiffs.

8           213. Defendant Grand Sierra Unit Owners Association and Defendant MEI-GSR have  
9 failed to properly prepare and distribute said accountings.

10          214. Accordingly, Plaintiffs are entitled to a full and proper accounting.

11          **WHEREFORE**, Plaintiffs request judgment against the Defendants MEI-GSR and the  
12 Grand Sierra Unit Owners Association, as set forth below.

13                                   **TENTH CLAIM FOR RELIEF**  
14                                   **(Specific Performance Pursuant to NRS 116.112, Unconscionable Agreement)**

15          215. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
16 212 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
17 as if fully set forth below.

18          216. As alleged herein, Plaintiffs entered into one or more contracts with Defendant  
19 MEI-GSR, including the Grand Sierra Resort Unit Rental Agreement and the Unit Maintenance  
20 Agreement.

21          217. The Grand Sierra Resort Unit Rental Agreement is unconscionable pursuant to  
22 NRS § 116.112 because MEI-GSR has manipulated the rental of the: (1) hotel rooms owned by  
23 Defendant MEI-GSR; (2) GSR Condo Units owned or controlled by Defendant MEI-GSR; and  
24 (3) GSR Condo Units owned by Individual Unit Owners so as to maximize Defendant MEI-  
25 GSR's profits and devalue the GSR Condo Units owned by the Individual Unit Owners.

26          218. The Unit Maintenance Agreement is unconscionable pursuant to NRS § 116.112  
27 because of the excessive fees charged and the Individual Unit Owners' inability to reject fee  
28 increases.

1           **WHEREFORE**, Plaintiffs request judgment against the Defendant MEI-GSR, as set  
2 forth below.

3                                   **ELEVENTH CLAIM FOR RELIEF**  
4                                   **(Unjust Enrichment / Quantum Meruit against Defendant Gage Village**  
5                                   **Development)**

6           219. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
7 216 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
8 as if fully set forth below.

9           220. Defendant Gage Village has unjustly benefited from MEI-GSR's devaluation of  
10 the GSR Condo Units.

11           221. Defendant Gage Village has unjustly benefited from prioritization of its GSR  
12 Condo Units under MEI-GSR's rental scheme to the immediate detriment of the Individual Unit  
13 Owners.

14           222. It would be inequitable for the Defendant Gage Village to retain those benefits  
15 without full and just compensation to the Individual Unit Owners.

16           **WHEREFORE**, Plaintiffs request judgment against the Defendant Gage Village, as set  
17 forth below.

18                                   **TWELFTH CLAIM FOR RELIEF**  
19                                   **(Tortious Interference with Contract and /or Prospective Business Advantage**  
20                                   **against Defendants MEI-GSR and Gage Development)**

21           223. Plaintiffs re-allege each and every allegation contained in paragraphs 1 through  
22 220 of this Complaint as though fully stated herein and hereby incorporate them by this reference  
23 as if fully set forth below.

24           224. Individual Unit Owners have contracted with third parties to market and rent their  
25 GSR Condo Units.

26           225. Defendant MEI-GSR has systematically thwarted the efforts of those third parties  
27 to market and rent the GSR Condo Units owned by the Individual Unit Owners.

28           226. Defendant MEI-GSR has prioritized the rental of GSR Condo Units Owned by  
Defendant Gage Village to the economic detriment of the Individual Unit Owners.

227. Defendant Gage Village has worked in concert with Defendant MEI-GSR in its scheme to devalue the GSR Condo Units and repurchase them.

**WHEREFORE**, Plaintiffs request judgment against the Defendants as follows:

1. For the appointment of a neutral receiver to take over control of Defendant Grand Sierra Unit Owners' Association;
2. For compensatory damages according to proof, in excess of \$10,000.00;
3. For punitive damages according to proof;
4. For attorneys' fees and costs according to proof;
5. For declaratory relief;
6. For specific performance;
7. For an accounting; and
8. For such other and further relief as the Court may deem just and proper.

## AFFIRMATION

Pursuant to NRS 239B.030, the undersigned does hereby affirm that this document does not contain the social security number of any person.

RESPECTFULLY SUBMITTED this 26<sup>th</sup> day of March, 2013.

ROBERTSON, JOHNSON,  
MILLER & WILLIAMSON  
50 West Liberty Street, Suite 600  
Reno, Nevada 89501

By: /s/ Jarrad C. Miller  
G. David Robertson, Esq.  
Jarrad C. Miller, Esq.  
Jonathan J. Tew, Esq.  
Attorneys for Plaintiffs

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Sean L. Brohawn, Esq.  
50 W. Liberty Street, Suite 1040  
Reno, NV 89501  
*Attorneys for Defendants / Counterclaimants*

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EXHIBIT “2”

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EXHIBIT “2”

**1085**

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Nevada Bar No. 7618  
SEAN L. BROHAWN, PLLC  
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Reno, Nevada 89501  
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Facsimile: (775) 453-1537  
Sean@brohawnlaw.com

Attorneys for Defendants /  
Counterclaimants

**IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**  
**IN AND FOR THE COUNTY OF WASHOE**

ALBERT THOMAS, individually; JANE  
DUNLAP, individually; JOHN DUNLAP,  
individually; BARRY HAY, individually;  
MARIE-ANNE ALEXANDER, as Trustee of the  
MARIE-ANNIE ALEXANDER LIVING  
TRUST; MELISSA VAGUJHELYI and GEORGE  
VAGUJHELYI, as Trustees of the GEORGE  
VAGUJHELYI AND MELISSA VAGUJHELYI  
2001 FAMILY TRUST AGREEMENT, U/T/A  
APRIL 13, 2001; D' ARCY NUNN, individually;  
HENRY NUNN, individually; MADELYN VAN  
DER BOKKE, individually; LEE VAN DER  
BOKKE, individually; DONALD SCHREIFELS,  
individually; ROBERT R. PEDERSON,  
individually and as Trustee of the PEDERSON  
1990 TRUST; LOU ANN PEDERSON,  
individually and as Trustee of the PEDERSON  
1990 TRUST; LORI ORDOVER, individually;  
WILLIAM A. HENDERSON, individually;  
CHRISTINE E. HENDERSON, individually;  
LOREN D. PARKER, individually; SUZANNE  
C. PARKER, individually; MICHAEL IZADY,  
individually; STEVEN TAKAKI, individually;  
FARAD TORABKHAN, individually; SAHAR  
TAVAKOL, individually; M&Y HOLDINGS,  
LLC; JL&YL HOLDINGS, LLC; SANDI  
RAINES, individually; R. RAGHURAM,  
individually; USHA RAGHURAM, individually;  
LORI K. TOKUTOMI, individually; GARRET  
TOM, individually; ANITA TOM, individually;  
RAMON FADRILAN, individually; FAYE  
FADRILAN, individually; PETER K. LEE and

Case No.: CV12-02222

Dept. No.:10

**ANSWER TO SECOND AMENDED**  
**COMPLAINT AND COUNTERCLAIM**



1 MONICA L. LEE, as Trustees of the LEE  
2 FAMILY 2002 REVOCABLE TRUST;  
3 DOMINIC YIN, individually; ELIAS SHAMIEH,  
4 individually; JEFFREY QUINN, individually;  
5 BARBARA ROSE QUINN individually;  
6 KENNETH RICHE, individually; MAXINE  
7 RICHE, individually; NORMAN CHANDLER,  
8 individually; BENTON WAN, individually;  
9 TIMOTHY D. KAPLAN, individually;  
10 SILKSCAPE INC.; PETER CHENG, individually;  
11 ELISA CHENG, individually; GREG A.  
12 CAMERON, individually; TMI PROPERTY  
13 GROUP, LLC; RICHARD LUTZ, individually;  
14 SANDRA LUTZ, individually; MARY A.  
15 KOSSICK, individually; MELVIN CHEAH,  
16 individually; DI SHEN, individually; NADINE'S  
17 REAL ESTATE INVESTMENTS, LLC; AJIT  
18 GUPTA, individually; SEEMA GUPTA,  
19 individually; FREDRICK FISH, individually;  
20 LISA FISH, individually; ROBERT A.  
21 WILLIAMS, individually; JACQUELIN PHAM,  
22 individually; MAY ANN HOM, as Trustee of the  
23 MAY ANN HOM TRUST; MICHAEL HURLEY,  
24 individually; DOMINIC YIN, individually;  
25 DUANE WINDHORST, individually; MARILYN  
26 WINDHORST, individually; VINOD BHAN,  
27 individually; ANNE BHAN, individually; GUY P.  
28 BROWNE, individually; GARTH A. WILLIAMS,  
individually; PAMELA Y. ARATANI, individually;  
DARLENE LINDGREN, individually; LAVERNE  
ROBERTS, individually; DOUG MECHAM,  
individually; CHRISINE MECHAM, individually;  
KWANGSOO SON, individually; SOO YEUN  
MOON, individually; JOHNSON AKINDODUNSE,  
individually; IRENE WEISS, as Trustee of the  
WEISS FAMILY TRUST; PRAVESH CHOPRA,  
individually; TERRY POPE, individually; NANCY  
POPE, individually; JAMES TAYLOR,  
individually; RYAN TAYLOR, individually; KI  
HAM, individually; YOUNG JA CHOI,  
individually; SANG DEE SOHN, individually;  
KUK HYUNG (CONNIE), individually;  
SANG (MIKE) YOO, individually; BRETT  
MENMUIR, as Trustee of the CAYENNE TRUST;  
WILLIAM MINER, JR., individually; CHANH  
TRUONG, individually; ELIZABETH ANDERS  
MECUA, individually; SHEPHERD MOUNTAIN,  
LLC; ROBERT BRUNNER, individually; AMY  
BRUNNER, individually; JEFF RIOPELLE,  
individually; PATRICIA M. MOLL, individually;  
DANIEL MOLL, individually; and DOE  
PLAINTIFFS 1 THROUGH 10, inclusive,

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FADRILAN, individually; PETER K. LEE and  
MONICA L. LEE, as Trustees of the LEE  
FAMILY 2002 REVOCABLE TRUST;  
JEFFREY QUINN, individually; BARBARA  
ROSE QUINN individually; KENNETH RICHE,  
individually; MAXINE RICHE, individually;  
NORMAN CHANDLER, individually; BENTON  
WAN, individually; TIMOTHY D. KAPLAN,  
individually; SILKSCAPE INC.; GREG A.  
CAMERON, individually; TMI PROPERTY  
GROUP, LLC; NADINE'S REAL ESTATE  
INVESTMENTS, LLC; ROBERT A.  
WILLIAMS, individually; DUANE  
WINDHORST, individually; MARILYN  
WINDHORST, individually; GARTH A.  
WILLIAMS, individually; PAMELA Y.  
ARATANI, individually; DARLENE  
LINDGREN, individually; SOO YEUN MOON,  
individually; IRENE WEISS, as Trustee of the  
WEISS FAMILY TRUST; PRAVESH  
CHOPRA, individually; TERRY POPE,  
individually; NANCY POPE, individually; KI  
NAM CHOI, individually; YOUNG JA CHOI,  
individually; KUK HYUNG (CONNIE) YOO,  
individually; SANG (MIKE) YOO, individually;  
BRETT MENMUIR, as Trustee of the  
CAYENNE TRUST; CHANH TRUONG,  
individually; SHEPHERD MOUNTAIN, LLC;  
ROBERT BRUNNER, individually; AMY  
BRUNNER, individually; JEFF RIOPELLE,  
individually; and DOES 1  
through 200, inclusive,

Counter-Defendants

### ANSWER

Defendants, MEI-GSR HOLDINGS, LLC, a Nevada limited liability company ("GSR"),  
GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION, a Nevada nonprofit corporation  
("GSR UOA"), GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, a Nevada Limited  
Liability Company ("Gage Village") (collectively "Defendants"), by and through their counsel of  
record, SEAN L. BROHAWN, PLLC, for their answer to Plaintiffs' Second Amended  
Complaint, allege as follows:

1           1.       Defendants are without knowledge or information sufficient to form a belief as to  
2 the truth of the allegations contained in Paragraphs 1 through 99 and, therefore, the same are  
3 denied.

4           2.       Defendants admit the allegations of Paragraph 100.

5           3.       Defendants deny the allegations of Paragraph 101.

6           4.       Defendants deny the allegations of Paragraph 102.

7           5.       Defendants admit the allegations of Paragraph 103.

8           6.       Answering the allegations of Paragraph 104, Defendants are without knowledge  
9 or information sufficient to form a belief as to the truth of the allegations contained in Paragraph  
10 104 and, therefore, the same are denied.

11          7.       Answering the allegations of Paragraph 105, Defendants incorporate the  
12 preceding allegations of this Answer, as if the same were set forth at length herein.

13          8.       Answering the allegations of paragraph 106, Defendants admit that the GSR  
14 Condo Units are part of the Grand Sierra Resort Unit-Owners' Association, and that the GSR  
15 Condo Units are located on floors 17 through 24 of the hotel tower of the Grand Sierra Resort &  
16 Casino, at 2500 East Second Street, Reno, Nevada. Defendants deny the remaining allegations of  
Paragraph 106.

17          9.       Defendants admit the allegations of 107.

18          10.       Defendants admit the allegations of Paragraph 108.

19          11.       Defendants deny the allegations of Paragraph 109.

20          12.       Defendants admit the allegations of Paragraph 110.

21          13.       Defendants admit the allegations of Paragraph 111.

22          14.       Defendants deny the allegations of Paragraph 112.

23          15.       Defendants deny the allegations of Paragraph 113.

24          16.       Defendants deny the allegations of Paragraph 114.

25          17.       Defendants deny the allegations of Paragraph 115.

26          18.       Defendants admit the allegations of Paragraph 116.

27          19.       Answering the allegations of Paragraph 117, Defendants admit that the Unit  
28 Owners' Association maintains a capital reserve account, and that the Unit Owners' Association  
collects association dues that vary depending upon the size of the unit, as provided in the

1 CC&Rs. Defendants deny the remaining allegations of Paragraph 117.

2 20. Answering the allegations of Paragraph 118, Defendants admit that the Unit  
3 Owners pay for certain taxes, unit cleaning services, capital reserve funding for components  
4 within the units and for identified elements and systems of the building, routine maintenance of  
5 each unit and utilities that service each unit. Defendants deny the remaining allegations of  
6 Paragraph 118.

7 21. Defendants deny the allegations of Paragraph 119.

8 22. Defendants deny the allegations of Paragraph 120.

9 23. Defendants deny the allegations of Paragraph 121.

10 24. Defendants admit the allegations of Paragraph 122.

11 25. Defendants deny the allegations of Paragraph 123.

12 26. Defendants deny the allegations of Paragraph 124.

13 27. Answering the allegations of Paragraph 125, Defendants admit that certain fees  
14 paid by Unit Owners are not included within the budget of the Unit Owners' Association, as  
15 provided in the CC&Rs. Defendants deny the remaining allegations of Paragraph 125.

16 28. Defendants deny the allegations of Paragraph 126.

17 29. Defendants deny the allegations of Paragraph 127.

18 30. Defendants deny the allegations of Paragraph 128.

19 31. Defendants deny the allegations of Paragraph 129.

20 32. Defendants deny the allegations of Paragraph 130.

21 33. Defendants deny the allegations of Paragraph 131.

22 34. Answering the allegations of Paragraph 132, Defendants admit that GSR rents  
23 GSR Condo Units owned by GSR and Gage Village, as well as some of the GSR Condo Units  
24 owned by certain individual condo Unit owners. Defendants deny the remaining allegations of  
Paragraph 132.

25 35. Answering the allegations of Paragraph 133, Defendants admit that GSR has  
26 entered into Unit Rental Agreements with certain individual condo Unit owners. Defendants  
27 deny the remaining allegations of Paragraph 133.

28 36. Defendants deny the allegations of Paragraph 134.

37. Defendants are without knowledge or information sufficient to form a belief as to

1 the truth of the allegations contained in Paragraph 135 and, therefore, the same are denied.

2 38. Defendants are without knowledge or information sufficient to form a belief as to  
3 the truth of the allegations contained in Paragraph 136 and, therefore, the same are denied.

4 39. Defendants are without knowledge or information sufficient to form a belief as to  
5 the truth of the allegations contained in Paragraph 137 and, therefore, the same are denied.

6 40. Defendants are without knowledge or information sufficient to form a belief as to  
7 the truth of the allegations contained in Paragraph 138 and, therefore, the same are denied.

8 41. Defendants deny the allegations of Paragraph 139.

9 42. Defendants deny the allegations of Paragraph 140.

10 43. Defendants deny the allegations of Paragraph 141.

11 44. Defendants admit the allegations of Paragraph 142.

12 45. Defendants deny the allegations of Paragraph 143.

13 46. Defendants deny the allegations of Paragraph 144.

14 47. Defendants deny the allegations of Paragraph 145.

#### 15 **FIRST CLAIM FOR RELIEF**

16 48. Answering the allegations of Paragraph 146, Defendants incorporate the  
preceding allegations of this Answer, as if the same were set forth at length herein.

17 49. Defendants admit the allegations of Paragraph 147.

18 50. Defendants deny the allegations of Paragraph 148.

19 51. Defendants deny the allegations of Paragraph 149.

20 52. Defendants deny the allegations of Paragraph 150.

21 53. Defendants deny the allegations of Paragraph 151.

22 54. Defendants deny the allegations of Paragraph 152.

23 55. Defendants deny the allegations of Paragraph 153.

#### 24 **SECOND CLAIM FOR RELIEF**

25 56. Answering the allegations of Paragraph 154, Defendants incorporate the  
26 preceding allegations of this Answer, as if the same were set forth at length herein.

27 57. Defendants admit the allegations of Paragraph 155.

28 58. Defendants deny the allegations of Paragraph 156.

59. Defendants deny the allegations of Paragraph 157.

1           60.    Defendants deny the allegations of Paragraph 158.

2           61.    Defendants deny the allegations of Paragraph 159.

3           62.    Defendants deny the allegations of Paragraph 160.

4           63.    Defendants deny the allegations of Paragraph 161.

5           64.    Defendants deny the allegations of Paragraph 162.

6                           **THIRD CLAIM FOR RELIEF**

7           65.    Answering the allegations of Paragraph 163, Defendants incorporate the  
8 preceding allegations of this Answer, as if the same were set forth at length herein.

9           66.    Answering the allegations of Paragraph 164, Defendants admit that GSR has  
10 entered into Unit Rental Agreements with certain individual condo Unit owners. Defendants  
11 deny the remaining allegations of Paragraph 164.

12           67.    Defendants deny the allegations of Paragraph 165.

13           68.    Answering the allegations of Paragraph 166, Defendants admit that GSR has  
14 entered into individual Unit Rental Agreements with certain individual condo Unit owners, but  
15 has not entered into a global agreement regarding Unit rental with Unit Owners as a whole.  
16 Defendants admit that each individual existing rental agreement is enforceable. Defendants deny  
the remaining allegations of Paragraph 166.

17           69.    Defendants deny the allegations of Paragraph 167.

18           70.    Defendants deny the allegations of Paragraph 168.

19           71.    Defendants deny the allegations of Paragraph 169.

20                           **FOURTH CLAIM FOR RELIEF**

21           72.    Answering the allegations of Paragraph 170, Defendants incorporate the  
22 preceding allegations of this Answer, as if the same were set forth at length herein.

23           73.    Answering the allegations of Paragraph 171, Defendants admit that GSR and  
24 Plaintiffs are contractually obligated to each other, under one or more types of agreements  
25 between them. Defendants deny the remaining allegations of Paragraph 171.

26           74.    Defendants are without knowledge or information sufficient to form a belief as to  
27 the truth of the allegations contained in Paragraph 172 and, therefore, the same are denied.

28           75.    Defendants deny the allegations of Paragraph 173.

          76.    Defendants deny the allegations of Paragraph 174.

1        77. Defendants deny the allegations of Paragraph 175.

2        78. Defendants deny the allegations of Paragraph 176.

3        79. Defendants deny the allegations of Paragraph 177.

4        80. Defendants deny the allegations of Paragraph 178.

5        81. Defendants deny the allegations of Paragraph 179.

6        82. Defendants deny the allegations of Paragraph 180.

7                                    **FIFTH CLAIM FOR RELIEF**

8        83. Answering the allegations of Paragraph 181, Defendants incorporate the  
9 preceding allegations of this Answer, as if the same were set forth at length herein.

10        84. Answering the allegations of Paragraph 182, Defendants admit that GSR and  
11 Plaintiffs are contractually obligated to each other, under one or more types of agreements  
12 between them. Defendants deny the remaining allegations of Paragraph 182.

13        85. Answering the allegations of Paragraph 183, Defendants admit that individual  
14 rental agreements require GSR to market and rent individually owned units. Defendants deny  
15 the remaining allegations of Paragraph 183.

16        86. Defendants deny the allegations of Paragraph 184.

17        87. Defendants deny the allegations of Paragraph 185.

18        88. Defendants deny the allegations of Paragraph 186.

19        89. Defendants deny the allegations of Paragraph 187.

20        90. Defendants deny the allegations of Paragraph 188.

21                                    **SIXTH CLAIM FOR RELIEF**

22        91. Answering the allegations of Paragraph 189, Defendants incorporate the  
23 preceding allegations of this Answer, as if the same were set forth at length herein.

24        92. Answering the allegations of Paragraph 190, Defendants assert that NRS 41.600  
25 speaks for itself. Defendants deny the remaining allegations of Paragraph 190.

26        93. Answering the allegations of Paragraph 191, Defendants assert that NRS 41.600  
27 speaks for itself. Defendants deny the remaining allegations of Paragraph 191.

28        94. Answering the allegations of Paragraph 192, Defendants assert that NRS Chapter  
598 speaks for itself. Defendants deny the remaining allegations of Paragraph 192.

      95. Defendants deny the allegations of Paragraph 193.



1 96. Defendants deny the allegations of Paragraph 194.

2 97. Defendants deny the allegations of Paragraph 195.

3 98. Defendants deny the allegations of Paragraph 196.

4 99. Defendants deny the allegations of Paragraph 197.

5 **SEVENTH CLAIM FOR RELIEF**

6 100. Answering the allegations of Paragraph 198, Defendants incorporate the  
7 preceding allegations of this Answer, as if the same were set forth at length herein.

8 101. Defendants are without knowledge or information sufficient to form a belief as to  
9 the truth of the allegations contained in Paragraph 199 and, therefore, the same are denied.

10 102. Defendants are without knowledge or information sufficient to form a belief as to  
11 the truth of the allegations contained in Paragraph 200 and, therefore, the same are denied.

12 103. Defendants are without knowledge or information sufficient to form a belief as to  
13 the truth of the allegations contained in Paragraph 201 and, therefore, the same are denied.

14 104. Defendants are without knowledge or information sufficient to form a belief as to  
15 the truth of the allegations contained in Paragraph 202 and, therefore, the same are denied.

16 105. Defendants are without knowledge or information sufficient to form a belief as to  
17 the truth of the allegations contained in Paragraph 203 and, therefore, the same are denied.

18 **EIGHTH CLAIM FOR RELIEF**

19 106. Answering the allegations of Paragraph 204, Defendants incorporate the  
20 preceding allegations of this Answer, as if the same were set forth at length herein.

21 107. Defendants deny the allegations of Paragraph 205.

22 108. Defendants deny the allegations of Paragraph 206.

23 109. Defendants deny the allegations of Paragraph 207.

24 **NINTH CLAIM FOR RELIEF**

25 110. Answering the allegations of Paragraph 208, Defendants incorporate the  
26 preceding allegations of this Answer, as if the same were set forth at length herein.

27 111. Defendants are without knowledge or information sufficient to form a belief as to  
28 the truth of the allegations contained in Paragraph 209 and, therefore, the same are denied.

112. Defendants deny the allegations of Paragraph 210.

113. Defendants are without knowledge or information sufficient to form a belief as to

1 the truth of the allegations contained in Paragraph 211 and, therefore, the same are denied.

2 114. Defendants deny the allegations of Paragraph 212.

3 115. Defendants deny the allegations of Paragraph 213.

4 116. Defendants deny the allegations of Paragraph 214.

5 **TENTH CLAIM FOR RELIEF**

6 117. Answering the allegations of Paragraph 215, Defendants incorporate the  
7 preceding allegations of this Answer, as if the same were set forth at length herein.

8 118. Answering the allegations of Paragraph 216, Defendants admit that GSR and  
9 Plaintiffs are contractually obligated to each other, under one or more types of agreements  
10 between them. Defendants deny the remaining allegations of Paragraph 216.

11 119. Defendants deny the allegations of Paragraph 217.

12 120. Defendants deny the allegations of Paragraph 218.

13 **ELEVENTH CLAIM FOR RELIEF**

14 121. Answering the allegations of Paragraph 219, Defendants incorporate the  
15 preceding allegations of this Answer, as if the same were set forth at length herein.

16 122. Defendants deny the allegations of Paragraph 220.

17 123. Defendants deny the allegations of Paragraph 221.

18 124. Defendants deny the allegations of Paragraph 222.

19 **TWELFTH CLAIM FOR RELIEF**

20 125. Answering the allegations of Paragraph 223, Defendants incorporate the  
21 preceding allegations of this Answer, as if the same were set forth at length herein.

22 126. Defendants are without knowledge or information sufficient to form a belief as to  
23 the truth of the allegations contained in Paragraph 224 and, therefore, the same are denied.

24 127. Defendants deny the allegations of Paragraph 225.

25 128. Defendants deny the allegations of Paragraph 226.

26 129. Defendants deny the allegations of Paragraph 227.

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1                                   **AFFIRMATIVE DEFENSES**

2                                   **FIRST AFFIRMATIVE DEFENSE**

3           The Complaint fails to state a claim or cause of action against Defendants for which relief  
4 can be granted.

5                                   **SECOND AFFIRMATIVE DEFENSE**

6           Plaintiffs have failed to mitigate their damages and, to the extent of such failure of such  
7 mitigation, are precluded from recovery herein.

8                                   **THIRD AFFIRMATIVE DEFENSE**

9           Defendants allege that the incidents referred to in the Complaint, and any and all injuries  
10 and damages resulting therefrom, if any occurred, were caused or contributed to by the acts or  
11 omissions of a third party over whom Defendants had no control.

12                                  **FOURTH AFFIRMATIVE DEFENSE**

13           Defendants allege that the injuries or damages suffered by Plaintiffs, if any, were caused  
14 in whole or in part by an independent intervening cause over which these Defendants had no  
15 control.

16                                  **FIFTH AFFIRMATIVE DEFENSE**

17           The injuries or damages, if any, sustained by Plaintiffs were caused in whole, or in part,  
18 through the negligence of others who were not the agents of these Defendants or acting on behalf  
19 of the these Defendants.

20                                  **SIXTH AFFIRMATIVE DEFENSE**

21           The injuries or damages, if any, suffered by Plaintiffs, were caused in whole, or in part,  
22 or were contributed to by reason of the negligence of Plaintiffs.

23                                  **SEVENTH AFFIRMATIVE DEFENSE**

24           Plaintiffs' claims are barred by one or more statutes of limitations.

25                                  **EIGHTH AFFIRMATIVE DEFENSE**

26           Plaintiffs assumed the risk of injury by virtue of its own conduct.

27                                  **NINTH AFFIRMATIVE DEFENSE**

28           Plaintiffs waived the causes of action asserted herein.

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**TENTH AFFIRMATIVE DEFENSE**

Defendants presently have insufficient knowledge or information upon which to form a belief as to whether they may have additional, and as yet, unstated affirmative defenses available. Defendants therefore reserve the right to assert additional affirmative defenses in the event discovery indicates that they are appropriate.

WHEREFORE, Defendants pray that:

1. Plaintiffs' Complaint be dismissed, with prejudice.
2. For all litigation expenses, costs, attorney's fees, and other damages incurred in defending against the Complaint; and
3. For such other and further relief as the Court deems proper.

**COUNTERCLAIM**

Counterclaimant MEI-GSR HOLDINGS, LLC, a Nevada limited liability company ("GSR"), for its counterclaim against Counter-Defendants, alleges as follows:

1. The named Counter-Defendants are all current or former owners of one or more hotel-condominiums within the project known as the Grand Sierra Resort Unit-Owners' Association (the "Project").
2. The Counter-Defendants referred to herein as DOES 1 through 200 are as yet unknown parties to the UMAs an/or CC&Rs referred to herein, or are current or former owners of one or more hotel-condominiums within the Project, and as such owe duties to GSR under such contracts, or based upon other causes of action. GSR will seek leave of this Court to amend this Counterclaim to name such parties at such time as their identities become known to GSR.
3. GSR is a successor declarant in the Project, and as such, is entitled to collect certain non-homeowner's association dues and/or fees under the CC&Rs governing the Project, and under separate Unit Maintenance Agreements between each unit owner in the Project and GSR.
4. GSR has demanded that Counter-Defendants pay the full amount of dues and fees owed by them under the CC&Rs and/or the UMAs, but to date, Counter-Defendants have failed or refused to make all such payments.
5. Additionally, each UMA requires the unit owner to provide active credit card

1 information to GSR, as a source for payment of certain expenses incurred by the unit owner.

2 6. Some of the Counter-Defendants have failed or refused to provide active credit  
3 card information to GSR, in compliance with the UMAs.

4 7. Prior to bringing this Counterclaim, GSR provided notice to each Counter-  
5 Defendant of the above breaches of the UMAs, and provided each Counter-Defendant with at  
6 least 60 days within which to cure such breaches, however, Counter-Defendants have failed or  
7 refused to cure all such breaches.

8 **FIRST CAUSE OF ACTION**  
9 (Breach of Contract)

10 8. GSR incorporates by reference the preceding Paragraphs of this Counterclaim as  
11 if set forth at length herein.

12 9. GSR and Counter-Defendants are parties to the CC&Rs and UMAs.

13 10. GSR has performed all obligations required to be performed by it under the  
14 CC&Rs and UMAs, or was excused from performance of such obligations due to Counter-  
15 Defendants' conduct.

16 11. Counter-Defendants have breached the CC&Rs and UMAs by failing to pay all  
17 sums when due under those agreements and/or by failing to provide active credit card  
18 information as required by the UMAs, despite individual written demands by GSR.

19 12. Counter-Defendants' breaches of the CC&Rs and UMAs have foreseeably caused  
20 GSR damages in an amount in excess of \$10,000, subject to proof at trial.

21 **SECOND CAUSE OF ACTION**  
22 (Declaratory Relief)

23 13. GSR incorporates by reference the preceding paragraphs of this Counterclaim as  
24 if set forth at length herein.

25 14. GSR asserts that the CC&Rs and UMAs are valid and existing contracts to which  
26 each Counter-Defendant is a party, and that Counter-Defendants owe duties to GSR under those  
27 contracts. On information and belief, Counter-Defendants deny that they owe duties to GSR  
28 under the C&Rs and UMAs.

15. An actual controversy has arisen and now exists between GSR and Counter-Defendants concerning their respective rights, entitlements, obligations and duties under the CC&Rs and UMAs.

16. GSR therefore requests a declaratory judgment determining the parties' rights under the CC&Rs and UMAs.

**THIRD CAUSE OF ACTION**  
(Injunctive Relief)

17. GSR incorporates by reference the preceding paragraphs of this Counterclaim as if set forth at length herein.

18. Counter-Defendants are obligated under each UMA to provide active credit card information to GSR to help defray charges incurred under each UMA. Several of the Counter-Defendants have failed or refused to provide such credit card information to GSR.

19. GSR therefore requests that this Court enter a mandatory injunction requiring Counter-Defendants to provide active credit card information to GSR, as required by the UMAs.

WHEREFORE, GSR requests relief against Counter-Defendants as follows:

1. That GSR be granted judgment for all past due dues, fees, and related charges owed by Counter-Defendants under the CC&Rs and UMAs, in an amount in excess of \$10,000, subject to proof at trial;

2. That this Court enter a declaratory judgment determining the parties' rights under the CC&Rs and UMAs;

3. That this Court enter a mandatory injunction requiring Counter-Defendants to provide active credit card information to GSR, as required by the UMAs;

4. For costs of suit incurred herein, interest, and attorneys' fees; and

5. For such other and further relief as the Court deems proper.

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**AFFIRMATION**

Pursuant to NRS 239B.030, the undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED this 23<sup>rd</sup> day of May, 2013,

SEAN L. BROHAWN, PLLC

By: Sean L. Brohawn  
Sean L. Brohawn, Esq.  
Nevada Bar #7618

50 West Liberty Street, Suite 1040  
Reno, NV 89501  
Telephone: (775) 453-1505  
Facsimile: (775) 453-1537  
Sean@brohawnlaw.com

Attorneys for Defendants /  
Counterclaimant

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**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of the law firm of SEAN L. BROHAWN, PLLC, and that on the date shown below, I caused service of a true and correct copy of the attached:

**ANSWER TO SECONDN AMENDED COMPLAINT AND COUNTERCLAIM**

to be completed by:

- \_\_\_\_\_ personally delivering
- \_\_\_\_\_ sending via Federal Express or other overnight delivery service
- \_\_\_\_\_ depositing for mailing in the U.S. mail with sufficient postage affixed thereto
- \_\_\_\_\_ delivery via facsimile machine to fax no. \_\_\_\_\_
- X   delivery via e-mail/Electronic court filing

addressed to:

G. David Robertson, Esq. (NV Bar No. 1001)      (775) 329-5600      Attorneys for  
Jarrad C. Miller, Esq. (NV Bar No. 7093)      Plaintiffs  
Jonathan J. Tew, Esq. (NV Bar No. 11874)  
Robertson, Johnson, Miller & Williamson  
50 West Liberty Street, Suite 600  
Reno, Nevada 89501

DATED this 23<sup>rd</sup> day of May, 2013.

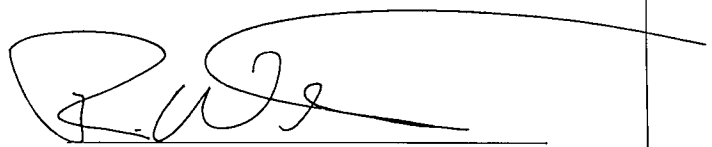




EXHIBIT “3”

EXHIBIT “3”

EXHIBIT “3”

Hon. Elizabeth Gonzalez (Ret.)  
Sr. District Court Judge  
PO Box 35054  
Las Vegas, NV 89133

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
IN AND FOR THE COUNTY OF WASHOE

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada  
Limited Liability Company, et al

Defendant.

ORDER

Case#: CV12-02222

Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing, exhibits, declarations,<sup>1</sup> transcripts and related documents and being fully informed rules on the APPLICATION FOR TEMPORARY RESTRAINING ORDER, AND MOTION FOR PRELIMINARY INJUNCTION (‘the Injunctive Relief Motion’) related to a meeting noticed by Defendants for March 14, 2022 to hold a vote on whether the Grand Sierra Resort Unit Owners Association (“GSRUOA”) should be dissolved.

The Court makes the following factual findings:

<sup>1</sup> The declarations considered include those filed on March 28, 2022 after the March 25, 2022 hearing.

1 The Court notes that at a hearing on March 11, 2022, the Court granted a temporary restraining  
2 order on the following:

3 ...The meeting is scheduled for next Monday. I don't know how long it will take for the  
4 order to be prepared, reviewed by Mr. McElhinney, sent to you for a signing and everything,  
5 but I just want to make sure I understand that *the meeting next Monday is off*.

6 THE COURT: That is correct, by virtue of court order. Yes.

7 Transcript of March 11, 2022, Hearing, page 42 lines 1-7. (Emphasis added.)

8 Although no written order was filed, a bond was posted by Plaintiffs in the amount of \$50,000 on  
9 March 11, 2022.

10 At the preliminary injunction hearing on March 25, 2022, the parties stipulated to an extension of  
11 the temporary restraining order pending resolution of the Injunctive Relief Motion. Transcript of  
12 March 25, 2022, Hearing, page 125.

13 The condominium-hotel arrangement at the Grand Sierra Resort constitutes a common-interest  
14 community.

15 The rights and obligations of all unit owners at the Grand Sierra Resort are defined in Nevada  
16 Revised Statutes, Chapter 116.

17 Each unit owner's Deed and Title to their Units at the Grand Sierra Resort, is subject to the  
18 covenants, conditions, restrictions and reservations included in the Seventh Amendment to  
19 Condominium Declaration of Covenants, Conditions, Restrictions and Reservations of Easements,  
20 ("7th Amended CC&Rs").

21 These covenants, conditions, restrictions and reservations limit the owner's property interest.

22 Section 9.1, appearing on pages 48 and 49 of the 7th Amended CC&Rs, provides as follows:

23 a. At a meeting duly called for such purpose and open to attendance by all Unit Owners, the  
24 Unit Owners by affirmative vote of the Unit Owners who own eighty percent (80%) or  
25 more in the aggregate of the entire percentage ownership interest in the Common Elements  
26 may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at  
27 which such sale is approved, the Board shall give written notice of such action to each First  
28 Mortgagee. Such action shall be binding upon all Unit Owners, and it shall thereupon

1 become the duty of every Unit Owner to execute and deliver such instruments and to  
2 perform all acts as in manner and form may be necessary to effect such sale.

3 Section 9.1 of the 7th Amended CC&Rs sets forth both a right and obligation of the unit owners  
4 that has been a part of their Deed and Title to their Units since the date they purchased their units.

5 Defendants and its privies are currently the owner of over 80% of the units of GSRUOA.

6 The notice of the unit owners meeting at issue in these injunctive relief proceedings is Exhibit 3 to  
7 the Injunctive Relief Motion. That notice complies with NRS 116 and Section 9.1 of the 7th  
8 Amended CC&Rs.

9 The Court has previously made Findings that Defendants are systematically attempting to increase  
10 the various fees in order to devalue the units. October 9, 2015 Order par. 142-143.

11 The Court has previously made Findings that Defendants breached the Unit Maintenance  
12 Agreement and the Unit Rental Agreement. October 9, 2015 Order par. 146.

13 The findings made in the October 9, 2015 Order do not preclude the Defendants, as owners of  
14 more than 80% of the units,<sup>2</sup> from proceeding under Section 9.1 of the 7th Amended CC&Rs.

15 The January 7, 2015 Order Appointing Receiver and Directing Defendants' Compliance provides:

16 Defendants, and their agents, servants and employees, and those acting in concert with  
17 them, shall not engage in or perform directly or indirectly, any or all of the following acts: a.  
18 Interfering with the Receiver, directly or indirectly, in the management and operation of the  
19 Property . . . c. Doing any act which will, or which will tend to, impair, defeat, divert, prevent  
20 or prejudice the preservation of the Property or the interest in the Plaintiffs in the Property

21 January 7, 2015 Order at page 8 lines 2-11. Defendants efforts under Section 9.1 of the 7th  
22 Amended CC&Rs do not violate this provision of the January 7, 2015 Order.

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<sup>2</sup> See Paragraph 6 of Declaration of David C. McElhinney filed on March 17, 2022 as Exhibit 12 of the Opposition to the Injunctive Relief Motion.



1 The Receiver's authority is governed by the January 7, 2015 Order which gives certain authority over  
2 the management and operation of the GSRUOA but does not extend to oversight over ownership  
3 of the units.

4 The CC&R's constitute deed restrictions that limit and define Plaintiffs' interest in their units.

5  
6 The judgment entered October 9, 2015 does not include the depreciation or diminution in value of  
7 the units. As with any type of sale, a unit owner may assign, retain or otherwise reserve such a claim  
8 from a transfer. These claims may have been preserved and may be retained by a unit owner, in this  
9 matter, at the time of any transfer.<sup>3</sup>

10 In deciding an injunctive relief motion the court is guided by NRCP 65 and NRS 33.010.

11 Under the statute, an injunction may be granted under the following circumstances:

- 12 1. When it shall appear by the complaint that the plaintiff is entitled to the relief demanded,  
13 and such relief or any part thereof consists in restraining the commission or continuance of  
14 the act complained of, either for a limited period or perpetually.
- 15 2. When it shall appear by the complaint or affidavit that the commission or continuance of  
16 some act, during the litigation, would produce great or irreparable injury to the plaintiff.
- 17 3. When it shall appear, during the litigation, that the defendant is doing or threatens, or is  
18 about to do, or is procuring or suffering to be done, some act in violation of the plaintiff's  
19 rights respecting the subject of the action and tending to render the judgment ineffectual.

20 Injunctive relief is equitable in nature and allows a Court to fashion a remedy balancing the interests  
21 of the parties that protects the right of the movant.

22 NRS 116.2118<sup>4</sup> governs the termination of a common-interest community.

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23 <sup>3</sup> To avoid confusion in this matter, a written notice of the intent to retain any of the claims must be made prior to the  
24 sale.

25 <sup>4</sup> That statute provides:

- 26 1. Except in the case of a taking of all the units by eminent domain, in the case of foreclosure against an entire  
27 cooperative of a security interest that has priority over the declaration, or in the circumstances described in NRS  
28 116.2124, a common-interest community may be terminated only by agreement of units' owners to whom at least 80  
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restricted exclusively to nonresidential uses.
2. An agreement to terminate must be evidenced by the execution of an agreement to terminate, or ratifications  
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1 NRS 116.2118(1), allows for the termination of a common-interest community by agreement of unit  
2 owners to whom at least 80% of the votes in the association are allocated.

3 NRS 116.2118(2), provides that an agreement to terminate the common interest community must be  
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7 NRS 116.2118 (1), dictates that the respective interests of unit owners are the fair market value of  
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9 Sale of the Plaintiffs' units will not operate to extinguish a unit owner's claims for damages which  
10 exist at the time of the "transfer" and are retained by a unit owner.  
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15 effective only upon recordation.

16 3. In the case of a condominium or planned community containing only units having horizontal boundaries described  
17 in the declaration, an agreement to terminate may provide that all of the common elements and units of the common-  
18 interest community must be sold following termination. If, pursuant to the agreement, any real estate in the common-  
19 interest community is to be sold following termination, the agreement must set forth the minimum terms of the sale.

20 4. In the case of a condominium or planned community containing any units not having horizontal boundaries  
21 described in the declaration, an agreement to terminate may provide for sale of the common elements, but it may not  
22 require that the units be sold following termination, unless the declaration as originally recorded provided otherwise or  
23 all the units' owners consent to the sale.

24 5. The association, on behalf of the units' owners, may contract for the sale of real estate in a common-interest  
25 community, but the contract is not binding on the units' owners until approved pursuant to subsections 1 and 2. If any  
26 real estate is to be sold following termination, title to that real estate, upon termination, vests in the association as trustee  
27 for the holders of all interests in the units. Thereafter, the association has all powers necessary and appropriate to effect  
28 the sale. Until the sale has been concluded and the proceeds thereof distributed, the association continues in existence  
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agreement to terminate, as long as the association holds title to the real estate, each unit's owner and his or her  
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assessments and other obligations imposed on units' owners by this chapter or the declaration.

6. In a condominium or planned community, if the real estate constituting the common-interest community is not to  
be sold following termination, title to the common elements and, in a common-interest community containing only units  
having horizontal boundaries described in the declaration, title to all the real estate in the common-interest community,  
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his or her successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly  
constituted the unit.

7. Following termination of the common-interest community, the proceeds of a sale of real estate, together with the  
assets of the association, are held by the association as trustee for units' owners and holders of liens on the units as their  
interests may appear.



1 NRS 116.21185 provides for resolution of value of interests following termination.<sup>5</sup>

2 Plaintiffs have alleged that the appraisal done at the request of Defendants was not done by the  
3 GSRUOA. The Court agrees. As a result, the Court will permit unit owners to contest the  
4 appraisals and present their own appraisals setting forth their claimed fair market value.

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6 Currently there are a number of Applications for Issuance of Orders to Show Cause related to  
7 Defendants conduct with respect to the Receiver.<sup>6</sup> These Applications for OSC will be decided  
8 and, if cause is shown, hearings on these issues will proceed.

9  
10 Currently the Receiver has not been paid as directed by the January 7, 2015 Order. As Defendants  
11 are the 80% owners of the units at GSRUOA; are the owners noticing the meeting seeking  
12 dissolution of GSRUOA, and sale under NRS 116.2118, Defendants must address this issue prior to  
13 sale.

14  
15  
16 <sup>5</sup> NRS 116.21185 Respective interests of units' owners following termination. The respective interests of units'  
owners referred to in subsections 5, 6 and 7 of NRS 116.2118 and in NRS 116.21183 are as follows:

17 1. Except as otherwise provided in subsection 2, the respective interests of units' owners are the fair market values  
18 of their units, allocated interests, and any limited common elements immediately before the termination, as determined  
19 by one or more independent appraisers selected by the association. The decision of the independent appraisers must be  
20 distributed to the units' owners and becomes final unless disapproved within 30 days after distribution by units' owners  
to whom 25 percent of the votes in the association are allocated. The proportion of interest of any unit's owner to that  
of all units' owners is determined by dividing the fair market value of that unit and its allocated interests by the total fair  
market values of all the units and their allocated interests.

21 2. If any unit or any limited common element is destroyed to the extent that an appraisal of the fair market value  
thereto before destruction cannot be made, the interests of all units' owners are:

- 22 (a) In a condominium, their respective interests in the common elements immediately before the termination;  
23 (b) In a cooperative, their respective ownerships immediately before the termination; and  
(c) In a planned community, their respective liabilities for common expenses immediately before the termination..

24 <sup>6</sup> Those include:

25 Plaintiffs' 04/25/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including  
01/04/22 orders)

26 Plaintiffs' 03/02/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including  
01/04/22 orders)

27 Plaintiffs' 02/01/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including  
01/04/22 orders)

28 Plaintiffs' 11/19/21 Motion for Order to Show Cause (Defendants' contempt for violating 01/17/15 Order) and,  
12/23/21 Plaintiffs' 09/27/21 Motion for Order to Show Cause (Defendants' contempt for violating 01/17/15 Order)  
Plaintiffs' 2/11/21 Motion for Order to Show Cause (Defendants' contempt for violating 12/24/22 order)

These are referred to collectively as the Applications for OSC.

1 The Court makes the following legal conclusions:

2 After balancing the interests of the parties and in evaluating the legal issues, the Court concludes  
3 that Plaintiffs will suffer irreparable injury if no relief is granted. The Court has fashioned a remedy  
4 that balances the rights of both parties in this matter.  
5

6 The Court concludes the Plaintiffs will not suffer irreparable harm if the statutory process under  
7 NRS 116.2118 et seq. along with Court supervision as outlined herein is followed.

8 The Court concludes Defendants property interest are protected by issuance of this relief.

9 Therefore, the Court issues the following Orders:

10 IT IS THEREFORE ORDERED, that the Grand Sierra unit owners are allowed to proceed with  
11 their vote to terminate the GSRUOA and election to sell the Property as a whole.  
12

13 IT IS FURTHER ORDERED that prior to a sale of the Property as a whole, the Court shall enter  
14 an Order on motion to terminate and or modify the Receivership that addresses the issues of  
15 payment to the Receiver and his counsel, the scope of the wind up process of the GSRUOA to be  
16 overseen by the Receiver, as well as the responsibility for any amounts which are awarded as a result  
17 of the pending Applications for OSC.  
18

19 IT IS FURTHER ORDERED that no sale of the units at GSRUOA or the property rights related to  
20 the GSRUOA and the units which currently compose GSRUOA shall occur until further order of  
21 this Court which includes a process for the resolution of any retained claims by Plaintiffs and  
22 procedure for the determination of fair market value of Plaintiffs' units under NRS 116.2118 et seq.  
23

24 IT IS FURTHER ORDERED that this Court shall provide supervision of the appraisal process of  
25 the units in order to assure that Plaintiffs are provided an opportunity to submit their own appraisal  
26 of their respective units for consideration and determination of the fair market value of the units and  
27 their allocated interests.  
28



1 IT IS FURTHER ORDERED that Defendants and anyone acting on their behalf are restrained  
2 from transferring, selling or otherwise alienating, the units at GSRUOA or the property rights  
3 related to the GSRUOA and the units which currently compose GSRUOA pending further order of  
4 the Court.

5  
6 IT IS FURTHER ORDERED that the bond posted by Plaintiffs in the amount of \$50,0000,  
7 following the Court's granting a Temporary Restraining Order on March 11, 2022, remain in place  
8 as adequate security for this Preliminary Injunction.

9 IT IS FURTHER ORDERED that in all other respects the Injunctive Relief Motion is denied.  
10

11  
12 Dated this 5th day December, 2022.

13  
14   
15 Hon. Elizabeth Gonzalez, (Ret.)  
16 Sr. District Court Judge  
17  
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**CERTIFICATE OF SERVICE**

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;  
that on the 5th day of December, 2022, I electronically filed the foregoing with the  
Clerk of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.

  
\_\_\_\_\_

EXHIBIT “4”

EXHIBIT “4”

EXHIBIT “4”

1 **2540**  
2 ABRAN VIGIL, ESQ.  
3 Nevada Bar No. 7548  
4 ANN HALL, ESQ.  
5 Nevada Bar No. 5447  
6 DAVID C. MCELHINNEY, ESQ.  
7 Nevada Bar No. 0033  
8 MERUELO GROUP, LLC  
9 Legal Services Department  
10 5<sup>th</sup> Floor Executive Offices  
11 2535 Las Vegas Boulevard South  
12 Las Vegas, NV 89109  
13 Tel: (562) 454-9786  
14 [abran.vigil@meruelogroup.com](mailto:abran.vigil@meruelogroup.com)  
15 [ann.hall@meruelogroup.com](mailto:ann.hall@meruelogroup.com)  
16 [david.mcelhinney@meruelogroup.com](mailto:david.mcelhinney@meruelogroup.com)  
17 *Attorneys for Defendants MEI-GSR Holdings,*  
18 *LLC, AM-GSR Holdings, LLC, and GAGE*  
19 *VILLAGE COMMERCIAL DEVELOPMENT,*  
20 *LLC*

12  
13  
14 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**  
15 **IN AND FOR THE COUNTY OF WASHOE**

16  
17 ALBERT THOMAS, et. al.,

18 Plaintiff(s),

19 v.

20 MEI-GSR HOLDINGS, LLC., a Nevada  
21 Limited Liability Company, AM-GSR  
22 Holdings, LLC., a Nevada Limited Liability  
23 Company, GRAND SIERRA RESORT UNIT  
24 OWNERS' ASSOCIATION, a Nevada  
25 Nonprofit Corporation, GAGE VILLAGE  
26 COMMERCIAL DEVELOPMENT, LLC., a  
27 Nevada Limited Liability Company, and DOES  
28 I-X inclusive,

Defendant(s).

Case No. CV12-02222

Dept. No.: 10

26 **NOTICE OF ENTRY OF DECEMBER 5, 2022 ORDER**

27 Defendants, MEI-GSR, LLC, a Nevada Limited Liability Company; GAGE VILLAGE  
28 COMMERCIAL DEVELOPMENT, LLC, a Nevada Limited Liability Company' and, AM-GSR

1 HOLDINGS, LLC, a Nevada Limited Liability Company (hereinafter referred to as  
2 “Defendants”), by and through their counsel, David C. McElhinney, Associate General Counsel  
3 with the Meruelo Group gives notice that on December 5th, 2022 the Court issued its Order  
4 addressing and ruling upon Plaintiffs’ Application for Temporary Restraining Order, and Motion  
5 for Preliminary Injunction, a true and correct copy of which is attached hereto as **Exhibit 1**.

6  
7 **AFFIRMATION**  
8 **Pursuant to NRS 239B.030**

9 The undersigned does hereby affirm that this document does not contain the social  
10 security number of any person.

11 RESPECTFULLY SUBMITTED this December 5, 2022.

12 /s/ David C. McElhinney, Esq.  
13 ABRAN VIGIL, ESQ.  
Nevada Bar No. 7548  
14 ANN HALL, ESQ.  
Nevada Bar No. 5447  
15 DAVID C. MCELHINNEY, ESQ.  
Nevada Bar No. 0033  
16 MERUELO GROUP, LLC  
Legal Services Department  
17 5<sup>th</sup> Floor Executive Offices  
2535 Las Vegas Boulevard South  
18 Las Vegas, NV 89109  
Attorneys for Defendants  
19  
20  
21  
22  
23  
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25  
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27  
28

**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am employed in County of Clark, State of Nevada and, on this date, December 5, 2022 I deposited for mailing with the United States Postal Service, and served by electronic mail, a true copy of the attached document addressed to:

G. David Robertson, Esq., SBN 1001  
Jarrad C. Miller, Esq., SBN 7093  
Briana N. Collings, Esq. SBN 14694  
ROBERTSON, JOHNSON, MILLER &  
WILLIAMSON  
50 West Liberty Street, Suite 600  
Reno, Nevada 89501  
Tel: (775) 329-5600  
jon@nvlawyers.com  
jarrad@nvlawyers.com  
briana@nvlawyers.com  
*Attorneys for Plaintiffs*

Robert L. Eisenberg, Esq. SBN 0950  
LEMONS, GRUNDY, & EISENBERG  
6005 Plumas Street, Third Floor  
Reno, Nevada 89519  
*Attorney for Plaintiffs*

F. DeArmond Sharp, Esq., SBN 780  
Stefanie T. Sharp, Esq. SBN 8661  
ROBISON, SHARP, SULLIVAN & BRUST  
71 Washington Street  
Reno, Nevada 89503  
Tel: (775) 329-3151  
Tel: (775) 329-7169  
dsharp@rssblaw.com  
ssharp@rssblaw.com  
*Attorneys for the Receiver*  
*Richard M. Teichner*

Daniel F Polsenberg, Esq., SBN 2376  
Jennifer K Hostetler, Esq. SBN 11994  
Dale Kotchka-Alanes, Esq., SBN 13168  
LEWIS ROCA ROTHGERBER CHRISTIE  
LLP  
3993 Howard Hughes Parkway, Suite 600  
Las Vegas, NV 89169  
Tel: (702) 949-8200  
jhostetler@lewisroca.com  
dpolsenberg@lewisroca.com  
mkotchkaalanes@lewisroca.com

Further, I certify that on the December 5, 2022, I electronically filed the foregoing with the Clerk of the Court electronic filing system, which will send notice of electronic filings to all persons registered to receive electronic service via the Court's electronic filing and service system.  
DATED this December 5, 2022



Iliana Godoy

**INDEX OF EXHIBITS**

1. December 5<sup>th</sup>, 2022 Order addressing Plaintiffs’ Application for Temporary Restraining Order, and Motion for Preliminary Injunction ..... 4-13 pp.

# Exhibit 1



Hon. Elizabeth Gonzalez (Ret.)  
Sr. District Court Judge  
PO Box 35054  
Las Vegas, NV 89133

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
IN AND FOR THE COUNTY OF WASHOE

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada  
Limited Liability Company, et al

Defendant.

ORDER

Case#: CV12-02222

Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing, exhibits, declarations,<sup>1</sup> transcripts and related documents and being fully informed rules on the APPLICATION FOR TEMPORARY RESTRAINING ORDER, AND MOTION FOR PRELIMINARY INJUNCTION (‘the Injunctive Relief Motion’) related to a meeting noticed by Defendants for March 14, 2022 to hold a vote on whether the Grand Sierra Resort Unit Owners Association (“GSRUOA”) should be dissolved.

The Court makes the following factual findings:

<sup>1</sup> The declarations considered include those filed on March 28, 2022 after the March 25, 2022 hearing.

1 The Court notes that at a hearing on March 11, 2022, the Court granted a temporary restraining  
2 order on the following:

3 ...The meeting is scheduled for next Monday. I don't know how long it will take for the  
4 order to be prepared, reviewed by Mr. McElhinney, sent to you for a signing and everything,  
5 but I just want to make sure I understand that *the meeting next Monday is off*.

6 THE COURT: That is correct, by virtue of court order. Yes.

7 Transcript of March 11, 2022, Hearing, page 42 lines 1-7. (Emphasis added.)

8 Although no written order was filed, a bond was posted by Plaintiffs in the amount of \$50,000 on  
9 March 11, 2022.

10 At the preliminary injunction hearing on March 25, 2022, the parties stipulated to an extension of  
11 the temporary restraining order pending resolution of the Injunctive Relief Motion. Transcript of  
12 March 25, 2022, Hearing, page 125.

14 The condominium-hotel arrangement at the Grand Sierra Resort constitutes a common-interest  
15 community.

16 The rights and obligations of all unit owners at the Grand Sierra Resort are defined in Nevada  
17 Revised Statutes, Chapter 116.

19 Each unit owner's Deed and Title to their Units at the Grand Sierra Resort, is subject to the  
20 covenants, conditions, restrictions and reservations included in the Seventh Amendment to  
21 Condominium Declaration of Covenants, Conditions, Restrictions and Reservations of Easements,  
22 ("7th Amended CC&Rs").

24 These covenants, conditions, restrictions and reservations limit the owner's property interest.

25 Section 9.1, appearing on pages 48 and 49 of the 7th Amended CC&Rs, provides as follows:

26 a. At a meeting duly called for such purpose and open to attendance by all Unit Owners, the  
27 Unit Owners by affirmative vote of the Unit Owners who own eighty percent (80%) or  
28 more in the aggregate of the entire percentage ownership interest in the Common Elements  
may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at  
which such sale is approved, the Board shall give written notice of such action to each First  
Mortgagee. Such action shall be binding upon all Unit Owners, and it shall thereupon

1 become the duty of every Unit Owner to execute and deliver such instruments and to  
2 perform all acts as in manner and form may be necessary to effect such sale.

3 Section 9.1 of the 7th Amended CC&Rs sets forth both a right and obligation of the unit owners  
4 that has been a part of their Deed and Title to their Units since the date they purchased their units.

5 Defendants and its privies are currently the owner of over 80% of the units of GSRUOA.

6 The notice of the unit owners meeting at issue in these injunctive relief proceedings is Exhibit 3 to  
7 the Injunctive Relief Motion. That notice complies with NRS 116 and Section 9.1 of the 7th  
8 Amended CC&Rs.

9 The Court has previously made Findings that Defendants are systematically attempting to increase  
10 the various fees in order to devalue the units. October 9, 2015 Order par. 142-143.

11 The Court has previously made Findings that Defendants breached the Unit Maintenance  
12 Agreement and the Unit Rental Agreement. October 9, 2015 Order par. 146.

13 The findings made in the October 9, 2015 Order do not preclude the Defendants, as owners of  
14 more than 80% of the units,<sup>2</sup> from proceeding under Section 9.1 of the 7th Amended CC&Rs.

15 The January 7, 2015 Order Appointing Receiver and Directing Defendants' Compliance provides:

16 Defendants, and their agents, servants and employees, and those acting in concert with  
17 them, shall not engage in or perform directly or indirectly, any or all of the following acts: a.  
18 Interfering with the Receiver, directly or indirectly, in the management and operation of the  
19 Property . . . c. Doing any act which will, or which will tend to, impair, defeat, divert, prevent  
20 or prejudice the preservation of the Property or the interest in the Plaintiffs in the Property

21 January 7, 2015 Order at page 8 lines 2-11. Defendants efforts under Section 9.1 of the 7th  
22 Amended CC&Rs do not violate this provision of the January 7, 2015 Order.

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---

<sup>2</sup> See Paragraph 6 of Declaration of David C. McElhinney filed on March 17, 2022 as Exhibit 12 of the Opposition to  
the Injunctive Relief Motion.



1 The Receiver's authority is governed by the January 7, 2015 Order which gives certain authority over  
2 the management and operation of the GSRUOA but does not extend to oversight over ownership  
3 of the units.

4 The CC&R's constitute deed restrictions that limit and define Plaintiffs' interest in their units.

5  
6 The judgment entered October 9, 2015 does not include the depreciation or diminution in value of  
7 the units. As with any type of sale, a unit owner may assign, retain or otherwise reserve such a claim  
8 from a transfer. These claims may have been preserved and may be retained by a unit owner, in this  
9 matter, at the time of any transfer.<sup>3</sup>

10 In deciding an injunctive relief motion the court is guided by NRCP 65 and NRS 33.010.

11 Under the statute, an injunction may be granted under the following circumstances:

- 12 1. When it shall appear by the complaint that the plaintiff is entitled to the relief demanded,  
13 and such relief or any part thereof consists in restraining the commission or continuance of  
14 the act complained of, either for a limited period or perpetually.
- 15 2. When it shall appear by the complaint or affidavit that the commission or continuance of  
16 some act, during the litigation, would produce great or irreparable injury to the plaintiff.
- 17 3. When it shall appear, during the litigation, that the defendant is doing or threatens, or is  
18 about to do, or is procuring or suffering to be done, some act in violation of the plaintiff's  
19 rights respecting the subject of the action and tending to render the judgment ineffectual.

20 Injunctive relief is equitable in nature and allows a Court to fashion a remedy balancing the interests  
21 of the parties that protects the right of the movant.

22 NRS 116.2118<sup>4</sup> governs the termination of a common-interest community.

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23 <sup>3</sup> To avoid confusion in this matter, a written notice of the intent to retain any of the claims must be made prior to the  
24 sale.

25 <sup>4</sup> That statute provides:

- 26 1. Except in the case of a taking of all the units by eminent domain, in the case of foreclosure against an entire  
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9 Currently the Receiver has not been paid as directed by the January 7, 2015 Order. As Defendants  
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14

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16 <sup>5</sup> NRS 116.21185 Respective interests of units' owners following termination. The respective interests of units'  
owners referred to in subsections 5, 6 and 7 of NRS 116.2118 and in NRS 116.21183 are as follows:

17 1. Except as otherwise provided in subsection 2, the respective interests of units' owners are the fair market values  
18 of their units, allocated interests, and any limited common elements immediately before the termination, as determined  
19 by one or more independent appraisers selected by the association. The decision of the independent appraisers must be  
20 distributed to the units' owners and becomes final unless disapproved within 30 days after distribution by units' owners  
to whom 25 percent of the votes in the association are allocated. The proportion of interest of any unit's owner to that  
of all units' owners is determined by dividing the fair market value of that unit and its allocated interests by the total fair  
market values of all the units and their allocated interests.

21 2. If any unit or any limited common element is destroyed to the extent that an appraisal of the fair market value  
thereto before destruction cannot be made, the interests of all units' owners are:

- 22 (a) In a condominium, their respective interests in the common elements immediately before the termination;  
23 (b) In a cooperative, their respective ownerships immediately before the termination; and  
(c) In a planned community, their respective liabilities for common expenses immediately before the termination..

24 <sup>6</sup> Those include:

25 Plaintiffs' 04/25/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including  
01/04/22 orders)

26 Plaintiffs' 03/02/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including  
01/04/22 orders)

27 Plaintiffs' 02/01/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including  
01/04/22 orders)

28 Plaintiffs' 11/19/21 Motion for Order to Show Cause (Defendants' contempt for violating 01/17/15 Order) and,  
12/23/21 Plaintiffs' 09/27/21 Motion for Order to Show Cause (Defendants' contempt for violating 01/17/15 Order)  
Plaintiffs' 2/11/21 Motion for Order to Show Cause (Defendants' contempt for violating 12/24/22 order)

These are referred to collectively as the Applications for OSC.

1 The Court makes the following legal conclusions:

2 After balancing the interests of the parties and in evaluating the legal issues, the Court concludes  
3 that Plaintiffs will suffer irreparable injury if no relief is granted. The Court has fashioned a remedy  
4 that balances the rights of both parties in this matter.  
5

6 The Court concludes the Plaintiffs will not suffer irreparable harm if the statutory process under  
7 NRS 116.2118 et seq. along with Court supervision as outlined herein is followed.

8 The Court concludes Defendants property interest are protected by issuance of this relief.

9 Therefore, the Court issues the following Orders:

10 IT IS THEREFORE ORDERED, that the Grand Sierra unit owners are allowed to proceed with  
11 their vote to terminate the GSRUOA and election to sell the Property as a whole.  
12

13 IT IS FURTHER ORDERED that prior to a sale of the Property as a whole, the Court shall enter  
14 an Order on motion to terminate and or modify the Receivership that addresses the issues of  
15 payment to the Receiver and his counsel, the scope of the wind up process of the GSRUOA to be  
16 overseen by the Receiver, as well as the responsibility for any amounts which are awarded as a result  
17 of the pending Applications for OSC.  
18

19 IT IS FURTHER ORDERED that no sale of the units at GSRUOA or the property rights related to  
20 the GSRUOA and the units which currently compose GSRUOA shall occur until further order of  
21 this Court which includes a process for the resolution of any retained claims by Plaintiffs and  
22 procedure for the determination of fair market value of Plaintiffs' units under NRS 116.2118 et seq.  
23

24 IT IS FURTHER ORDERED that this Court shall provide supervision of the appraisal process of  
25 the units in order to assure that Plaintiffs are provided an opportunity to submit their own appraisal  
26 of their respective units for consideration and determination of the fair market value of the units and  
27 their allocated interests.  
28

1 IT IS FURTHER ORDERED that Defendants and anyone acting on their behalf are restrained  
2 from transferring, selling or otherwise alienating, the units at GSRUOA or the property rights  
3 related to the GSRUOA and the units which currently compose GSRUOA pending further order of  
4 the Court.  
5

6 IT IS FURTHER ORDERED that the bond posted by Plaintiffs in the amount of \$50,0000,  
7 following the Court's granting a Temporary Restraining Order on March 11, 2022, remain in place  
8 as adequate security for this Preliminary Injunction.

9 IT IS FURTHER ORDERED that in all other respects the Injunctive Relief Motion is denied.  
10

11  
12 Dated this 5th day December, 2022.

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14   
15 Hon. Elizabeth Gonzalez, (Ret.)  
16 Sr. District Court Judge  
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**CERTIFICATE OF SERVICE**

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;  
that on the 5th day of December, 2022, I electronically filed the foregoing with the  
Clerk of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.

  
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