

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

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May 16 2023 05:22 PM
Elizabeth A. Brown
Clerk of Supreme Court

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.

**APPENDIX TO RESPONDENTS' OPPOSITION TO APPELLANTS' MOTION TO
DISMISS AS MOOT**

VOLUME 2 OF 2

Submitted for all respondents by:

ROBERT L. EISENBERG (SBN 0950)
LEMONS, GRUNDY & EISENBERG
6005 Plumas Street, Third Floor
Reno, NV 89519
775-786-6868

JARRAD C. MILLER (SBN 7093)
BRIANA N. COLLINGS (SBN 14694)
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Reno, NV 89501
775-329-5600

ATTORNEYS FOR RESPONDENTS ALBERT THOMAS, et al.

INDEX TO RESPONDENTS' APPENDIX

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
1.	Notice of Appeal Ex. A: Order [on application for temporary restraining order, and motion for preliminary injunction]	01/03/2023	1	1 – 15
2.	Notice of Cross-Appeal Ex. 1: Order [on application for temporary restraining order, and motion for preliminary injunction]	01/17/2023	1	16 - 29
3.	Order to Show Cause and Granting Temporary Stay	05/08/23	1	30 – 35
4.	Order Appointing Receiver Ex. 1: Seventh Amendment to Condominium Declaration of Covenants, Conditions, Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort Ex. 2: Unit Maintenance Agreements Ex. 3: Unit Rental Agreements	01/07/2015	1	36 – 193
5.	Order [denying motion to compel receiver to prepare report on defendants' request for reimbursement of capital expenditures]	02/06/2023	1	194 – 196
6.	Receiver's Response to Motion to Compel Receiver to Prepare Report on Defendants' Request for Reimburse [sic] of Capital Expenditures Ex. 1: Reserve Bank Account Statement Ex. 2: Reserve Bank Account Statement	01/19/2023	1	197 – 209
7.	Order Approving Receiver's Request to Approve Updated Fees	01/04/2022	1	210 – 211

NO. **DOCUMENT** **DATE** **VOL.** **PAGE NO.**

8.	Order [on application for temporary restraining order, and motion for preliminary injunction]	12/05/2022	1	212 – 220
9.	Order [denying motion to modify and terminate receivership]	03/27/2023	1	221 – 223
10.	Stipulation Ex. 1: Agreement to Terminate Condominium Hotel, Condominium Hotel Association, and Declaration of Covenants, Conditions, Restrictions and Reservation of Easements	02/06/2023	1	224 – 240
11.	Plaintiffs' Notice of Preservation of Claims	01/17/2023	1	241 – 244
12.	Final Judgment	02/02/2023	1	245 – 248
13.	Amended Final Judgment	04/10/2023	2	249 – 252
14.	Order [ruling on pending applications for orders to show cause]	02/06/2023	2	253 – 257
15.	Order Approving Parties Stipulation Ex. 1: Stipulation	02/07/2023	2	258 – 278
16.	Order [granting motion for instructions to receiver concerning termination of the Grand Sierra Resort Unit Owners' Association and rental of the units until time of sale]	03/14/2023	2	279 – 281
17.	Order [granting motion for leave to file motion for reconsideration of (1) January 26, 2023 order denying defendants' motion for instructions to receiver re reimbursement of 2017 through 2019 capital expenditures; and (2) January 26, 2023 order denying defendants' motion for instructions regarding reimbursement of 2020 capital expenditures]	03/28/2023	2	282 – 284
18.	Order Granting Receiver's Motion for Orders & Instructions	01/04/2022	2	285 - 293

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)

AMENDED FINAL JUDGMENT

This matter having come before the Court for a default prove-up hearing from March 23, 2015 to March 25, 2015, with Findings of Fact and Conclusions of Law and Judgment entered October 9, 2015, and again before the Court on July 8, 2022 and July 18, 2022 on Plaintiffs' November 6, 2015 Motion in Support of Punitive Damages Award, with an Order entered on January 17, 2023,
IT IS HEREBY ORDERED AND ADJUDGED that judgment is entered in favor of Plaintiffs and against Defendants as follows:

1. Against MEI-GSR Holdings, LLC ("MEI-GSR") and AM-GSR Holdings, LLC ("AM-GSR") in the amount of \$442,591.83 for underpaid revenues to Unit owners;

2. Against MEI-GSR, AM-GSR, and Gage Village Development, LLC in the amount of \$4,152,669.13 for the rental of units of owners who had no rental agreement;

1 3. Against MEI-GSR and AM-GSR in the amount of \$1,399,630.44 for discounting owner's rooms
2 without credits;

3 4. Against MEI-GSR and AM-GSR in the amount of \$31,269.44 for discounted rooms with credits;

4 5. Against MEI-GSR and AM-GSR in the amount of \$96,084.96 for "comp'd" or free rooms;

5 6. Against MEI-GSR and AM-GSR in the amount of \$411,833.40 for damages associated with the
6 bad faith "preferential rotation system";

7 7. Against MEI-GSR and AM-GSR in the amount of \$1,706,798.04 for improperly calculated and
8 assessed contracted hotel fees;

9 8. Against MEI-GSR and AM-GSR in the amount of \$77,338.31 for improperly collected
10 assessments;

11 TOTAL COMPENSATORY DAMAGES \$8,318,215.54

12 IT IS FURTHER ORDERED AND ADJUDGED that Defendant AM-GSR Holdings, LLC is
13 jointly and severally liable with MEI-GSR, for these compensatory damages, only.

14 IT IS FURTHER ORDERED AND ADJUDGED that Defendant Gage Village Development is
15 jointly and severally liable with MEI-GSR for the sum of \$4,152,669.13 in compensatory damages,
16 only.

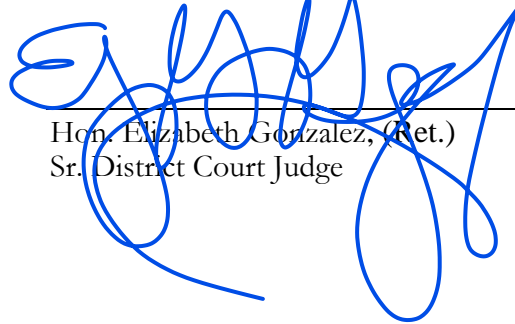
17 IT IS FURTHER ORDERED AND ADJUDGED that Plaintiffs be given and granted punitive
18 damages against Defendants MEI-GSR in the total amount of \$9,190,521.92.

19 This Judgment shall accrue pre- and post-judgment interest at the applicable legal rate as provided
20 by Nevada law until fully satisfied. No pre-judgment interest shall accrue on the punitive damages
21 award.

1 IT IS FURTHER ORDERED AND ADJUDGED that Defendants shall take nothing by way of
2 their counterclaims which were previously stricken by the Court.

3 Dated this 10th day April, 2023.

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Hon. Elizabeth Gonzalez, (Ret.)
Sr. District Court Judge

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Holly W. Lange

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PO Box 35054
Las Vegas, NV 89133

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
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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 and related documents and being fully informed rules on the pending Applications for Order to Show Cause:

Motion for Order to Show Cause filed on December 27, 2022.¹ Given the notice of compliance, the motion is denied.

¹ The court has also reviewed the Defendants' Opposition to Plaintiffs' Motion for Order to Show Cause, Filed December 27, 2022 was filed January 10, 2023. Plaintiffs filed their Reply in Support of Plaintiffs' Motion for Order to Show Cause as to Why the Defendants Should Not be Held in Contempt of Court on January 13, 2023. Defendants filed a Notice of Compliance on January 31, 2023.

1 Motion for Order to Show Cause filed on December 28, 2022.² Cause has been shown that a
2 violation of NRS 22.010(3)³ has occurred by failing to comply with the order appointing receiver;
3 the motion is granted. Pursuant to NRS 22.030(2)⁴ a trial is scheduled to be conducted under NRS
4 22.090.⁵ At trial the Court will hear the answer and any evidence presented by the parties;
5 determine whether a contemptuous act has occurred; and, if so, may order relief and/or damages
6 including but not limited to those set forth under NRS 22.100.⁶
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² The court has also reviewed the Defendants' Opposition to Plaintiffs' Motion for Order to Show Cause Filed
13 December 28, 2022 was filed January 11, 2023. Plaintiffs filed their Reply in Support of Plaintiffs' Motion for Order to
14 Show Cause filed December 28, 2022 on January 20, 2023.

15 ³ The statute provides in pertinent part:

16 NRS 22.010 Acts or omissions constituting contempts. The following acts or omissions shall be deemed contempts:

17 3. Disobedience or resistance to any lawful writ, order, rule or process issued by the court or judge at chambers.

18 ⁴ The statute provides in pertinent part:

19 NRS 22.010 Acts or omissions constituting contempts. The following acts or omissions shall be deemed contempts:

20 3. Disobedience or resistance to any lawful writ, order, rule or process issued by the court or judge at chambers.

21 ⁵ The statute provides in part:

22 NRS 22.090 Trial; court to hear answer and witnesses; adjournment. When the person arrested has been brought up
23 or appeared, the court or judge shall proceed to investigate the charge, and shall hear any answer which the person
24 arrested shall make to the same, and may examine witnesses for or against the person arrested, for which an
25 adjournment may be had from time to time if necessary.

26 ⁶ The statute provides in part:

27 NRS 22.100 Penalty for contempt.

28 1. Upon the answer and evidence taken, the court or judge or jury, as the case may be, shall determine whether the
person proceeded against is guilty of the contempt charged.

2. Except as otherwise provided in NRS 22.110, if a person is found guilty of contempt, a fine may be imposed on
the person not exceeding \$500 or the person may be imprisoned not exceeding 25 days, or both.

3. In addition to the penalties provided in subsection 2, if a person is found guilty of contempt pursuant to
subsection 3 of NRS 22.010, the court may require the person to pay to the party seeking to enforce the writ, order, rule
or process the reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the
contempt.

1 Motion for Order to Show Cause filed on December 29, 2022.⁷ Cause has been shown that a
2 violation of NRS 22.010(3)⁸ has occurred by failing to comply with the order appointing receiver;
3 the motion is granted. Pursuant to NRS 22.030(2)⁹ a trial is scheduled to be conducted under NRS
4 22.090.¹⁰ At trial the Court will hear the answer and any evidence presented by the parties;
5 determine whether a contemptuous act has occurred; and, if so, may order relief and/or damages
6 including but not limited to those set forth under NRS 22.100.¹¹
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12 ⁷ The court has also reviewed the Receiver's Response to Plaintiffs' Motion for Order to Show Cause was filed January
13 9, 2023, and Defendants' Opposition to Plaintiffs' Motion for Order to Show Cause Filed December 29, 2022 was filed
14 January 12, 2023. Plaintiffs filed their Reply in Support of Plaintiffs' Motion for Order to Show Cause on January 19,
15 2023.

16 ⁸ The statute provides in pertinent part:

17 NRS 22.010 Acts or omissions constituting contempts. The following acts or omissions shall be deemed contempts:

18 3. Disobedience or resistance to any lawful writ, order, rule or process issued by the court or judge at chambers.

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24 or appeared, the court or judge shall proceed to investigate the charge, and shall hear any answer which the person
25 arrested shall make to the same, and may examine witnesses for or against the person arrested, for which an
26 adjournment may be had from time to time if necessary.

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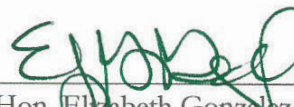
1. Upon the answer and evidence taken, the court or judge or jury, as the case may be, shall determine whether the person proceeded against is guilty of the contempt charged.

2. Except as otherwise provided in NRS 22.110, if a person is found guilty of contempt, a fine may be imposed on the person not exceeding \$500 or the person may be imprisoned not exceeding 25 days, or both.

3. In addition to the penalties provided in subsection 2, if a person is found guilty of contempt pursuant to subsection 3 of NRS 22.010, the court may require the person to pay to the party seeking to enforce the writ, order, rule or process the reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt.

1 The trials in this matter are set for April 3 – 6, 2023 beginning at 9:00 a.m. Because of the overlap
2 between the various allegations of contempt, the Court has determined that it is appropriate to
3 consolidate the trials on these matters as well as those previously set for April 3 – 6, 2023. If
4 counsel after consultation believe the estimated time period of 4 days for all of these issues is either
5 too long or too short, counsel shall submit a stipulation and order as to the length of the
6 proceedings.
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10 Dated this 3rd day February, 2023.

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12 _____
13 Hon. Elizabeth Gonzalez, (Ret.)
14 Sr. District Court Judge
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JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.

Holly W. Lange

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

ALBERT THOMAS, et. al.,

Plaintiff(s),

v.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, AM-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 DOES
I-X inclusive,

Defendant(s).

Case No. CV12-02222


Dept. No.: 10

ORDER APPROVING PARTIES STIPULATION

The Court having received and reviewed the Stipulation signed by attorneys for Plaintiffs and Defendants and Exhibit 1 attached thereto and the same having been filed with the Court on February 6, 2023, ("Stipulation") and good cause appearing,

1 IT IS ORDERED that the Receiver shall execute the “certification” of the Agreement to
2 Terminate, a true and correct copy of which is attached to the Stipulation as Exhibit 1.

3
4 Dated this 7 day of February, 2023.

5
6 
7 Hon. Elizabeth Gonzalez, (Ret.)
8 Sr. District Court Judge
9

10
11 **Submitted by:**

12 ABRAN VIGIL, ESQ.
13 Nevada Bar No. 7548
14 ANN HALL, ESQ.
15 Nevada Bar No. 5447
16 DAVID C. McELHINNEY, ESQ.
17 Nevada Bar No. 0033
18 MERUELO GROUP, LLC
19 *Attorneys for Defendants*
20 *MEI-GSR Holdings, LLC,*
21 *AM-GSR Holdings, LLC, and*
22 *GAGE VILLAGE*
23 *COMMERCIAL*
24 *DEVELOPMENT, LLC*
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INDEX OF EXHIBITS

1. February 6, 2023 Signed and Filed Stipulation..... 6-24 pp.

Exhibit 1

1 **3795**

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 5th Floor Executive Offices
11 2535 Las Vegas Boulevard South
12 Las Vegas, NV 89109
13 Tel: (562) 454-9786
14 abran.vigil@meruelogroup.com
15 ann.hall@meruelogroup.com
16 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*

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

23 ALBERT THOMAS, et. al.,

24 Plaintiff(s),

25 v.

26 MEI-GSR HOLDINGS, LLC., a Nevada
27 Limited Liability Company, AM-GSR
28 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 DOES
I-X inclusive,

Defendant(s).

Case No. CV12-02222

Dept. No.: 10

STIPULATION

IT IS HEREBY STIPULATED AND AGREED, by and between Plaintiffs ALBERT
THOMAS, et al., by and through their counsel JARRAD MILLER, ESQ. and Defendants MEI-
GSR Holdings, LLC; AM-GSR Holdings, LLC.; and GAGE VILLAGE COMMERCIAL

1 DEVELOPMENT, LLC; that the attached Agreement to Terminate has been approved by the
2 parties as compliant with the Court order of January 26, 2023 (filed at 11:06 a.m.) The parties
3 allow the Receiver to execute the "certification" of the Agreement to Terminate in accordance
4 with Court Order.

5
6 **AFFIRMATION PURSUANT TO NRS 239B.030**

7 The undersigned does hereby affirm that the preceding document does not contain the
8 social security number of any person.

9
10 **IT IS SO STIPULATED.**

11
12 By: /s/ David McElhinney, Esq.

13
14 6th ^{February} of ~~January~~, 2023.

15
16 David McElhinney
17 2500 East Second Street
18 Reno, NV 89595
19 Attorney for Defendants

By: 

2nd ^{Feb.} of ~~January~~, 2023.

20
21 Jarrad Miller
22 Robertson, Johnson, Miller and Williamson
23 50 W. Liberty Street Suite 600
24 Reno, NV 89501
25 Attorney for Plaintiffs
26
27
28

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I certify that I am employed in County of Clark, State of Nevada
3 and, on this date, February 6, 2023 I deposited for mailing with the United States Postal Service,
4 and served by electronic mail, a true copy of the attached document addressed to:

5 G. David Robertson, Esq., SBN 1001
6 Jarrad C. Miller, Esq., SBN 7093
7 Briana N. Collings, Esq. SBN 14694
8 ROBERTSON, JOHNSON, MILLER &
9 WILLIAMSON
10 50 West Liberty Street, Suite 600
11 Reno, Nevada 89501
12 Tel: (775) 329-5600
13 jarrad@nvlawyers.com
14 briana@nvlawyers.com
15 *Attorneys 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

11 Robert L. Eisenberg, Esq. SBN 0950
12 LEMONS, GRUNDY, & EISENBERG
13 6005 Plumas Street, Third Floor
14 Reno, Nevada 89519
15 *Attorney for Plaintiffs*

Jordan T. Smith, Esq.
Pisanelli Bice PLLC
400 South 7th Street, Suite 300
Las Vegas, NV 89101

15 Further, I certify that on the February 6, 2023, I electronically filed the foregoing with the
16 Clerk of the Court electronic filing system, which will send notice of electronic filings to all
17 persons registered to receive electronic service via the Court's electronic filing and service system.
18 DATED this February 6, 2023



20 Iliana Godoy

INDEX OF EXHIBITS

1. Agreement to Terminate Condominium Hotel, Condominium Hotel Association, and Declaration of Covenants, Conditions, Restrictions and Reservation of Easements.. 6-17 pp.

Exhibit 1

APNS: 012-211-24; 012-211-28; 012-211-36;
012-491-01; 012-491-02; 012-491-04;
012-491-05; 012-491-08; 012-491-12;
012-491-13; 012-492-01 through 012-492-06;
012-492-08; 012-492-08; 012-492-14 through
012-492-16; 012-492-18; 012-493-01; 012-493-02;
012-493-04 through 012-493-06

When recorded please mail to:
Grand Sierra Resort Unit Owners Association
c/o Associa Sierra North
10509 Professional Circle #200
Reno, NV 89521

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

**AGREEMENT TO TERMINATE CONDOMINIUM HOTEL, CONDOMINIUM HOTEL
ASSOCIATION, AND DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND RESERVATION OF EASEMENTS**

Condominium Hotel : Hotel-Condominiums At Grand Sierra Resort

Association : Grand Sierra Resort Unit – Owner’s Association

Declaration : Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Hotel-Condominiums at Grand Sierra Resort recorded December 15, 2006 as Document No. 3475705, Official records Washoe County, Nevada and all amendments thereto, including but not limited to the Seventh Amendment to Condominium Declaration of Covenants, Conditions, Restrictions and Easements for Hotel-Condominiums at Grand Sierra Resort recorded June 27, 2007 as Document No. 3548504 and the Ninth Amendment to Condominium Declaration of Covenants, Conditions, Restrictions and Easements for Hotel-Condominiums at Grand Sierra Resort re-recorded November 30, 2021 as Document No. 5253317.

Real Property : The legal description is included in Exhibit A attached hereto. This legal description is Exhibit A from the Declaration.

The undersigned Hotel Unit Owner and the owners of units at the Condominium Hotel representing at least eighty percent (80%) of the votes in the Association defined above (the “80% Units’ Owners”) hereby agree as follows:

1. Termination of Condominium Hotel. At a meeting conducted by the Association on January 18, 2023 (the “Meeting”), Hotel Unit Owner and 80% Units’ Owners approved the termination of the Condominium Hotel. The Condominium Hotel is terminated effective upon the filing of this Agreement in the records of the Office of the County Recorder of Washoe County, State of Nevada.

2. Sale of Common Elements, Shared Components, and Units. Following termination of the Condominium Hotel, all of the common elements, shared components, and units of the Condominium Hotel shall be sold pursuant to the terms of a subsequently drafted Agreement for Sale of Condominium Hotel Interests and further Court Order from the Second Judicial District Court of the State of Nevada in and for the County of Washoe in Case No. CV12-02222 (“Receivership Action”). Pursuant to NRS 116.2118(5), approval of the yet to be drafted Agreement for Sale of Condominium Hotel Interests must take place at a meeting and receive approval from the Hotel Unit Owner and 80% of the Units’ Owners and be approved by the Court in the Receivership Action.

3. Approval of Sale of Real Estate. At the Meeting, Hotel Unit Owner and 80% Units’ Owners authorized the Association controlled by the Receiver appointed in the Receivership Action, on behalf of the Units’ Owners, to contract for the sale of real estate owned by the Units’ Owners in the Condominium Hotel. For all real estate to be sold following termination, title to that real estate, upon execution of this termination agreement, vests in the Association with the Receiver as trustees for the holders of all interests in the units. And as long as the Association hold title to the real estate, each of the Unit’s Owners shall have a right of occupancy as provided in the Declaration and during that period of occupancy, each of the Units’ Owners shall remain liable for all assessments, shared expenses and other obligations imposed on Units’ Owners by applicable Nevada law or the Declaration.

4. Termination of Association. At the Meeting, Hotel Unit Owner and 80% of Units’ Owners approved the termination of the Association. The Association defined above now has all powers necessary and appropriate to affect the sale. Until the sale has been concluded and the proceeds thereof distributed upon Court approval in the Receivership Action, the Association continues in existence with all powers it had before termination under the receivership. Upon execution of the sale documents and distribution of the proceeds and an order issued in the Receivership Action the Association will be terminated.

5. Termination of Declaration. The Declaration is terminated effective upon the filing of this Agreement in the records of the Office of the County Recorder of Washoe County, State of Nevada unless otherwise ordered by the Court in the Receivership Action, or the Association is terminated in accordance with paragraph 4 herein. A Rescission and Notice of Termination of the Declaration shall also be recorded on or before the date identified in Section 8 below.

6. Severability. If any provision of this Agreement is held to be invalid or unenforceable to any extent, the invalidity or unenforceability of that provision shall not affect any other provision of this Agreement so long as the essential terms of the transactions contemplated

by this Agreement remain enforceable or otherwise ordered in the Receivership Action. The stricken provision or part shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision or part as is legally possible so as to effect the original intent of the parties as closely as possible. If modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this Agreement, the entire Agreement is to be held unenforceable.

7. Compliance. To the extent that any provisions of this Agreement, should be deleted, modified, or amended in order to comply with the provisions of the Declaration or Nevada Revised Statutes, those provisions shall be deleted, modified, or amended accordingly in a self-executing manner to the same extent necessary to achieve compliance and achieve the essential purposes of this Agreement unless otherwise ordered in the Receivership Action. All other terms of this Agreement shall remain in full force and effect.

8. Effectiveness of Agreement. This Agreement will be void unless it is recorded on or before December 1, 2050.

9. General Provisions. This Agreement may be executed in counterparts and may be further altered by Court Order.

[End of Page – Signatures Follow]

EXECUTION

The parties executed this Agreement as of the date first written above.

HOTEL UNIT OWNER:

MEI-GSR HOLDINGS, LLC,
a Nevada limited liability company

By: _____
Alex Meruelo
Manager

80% of UNITS' OWNERS:

AM-GSR HOLDINGS LLC
a Nevada limited liability company

By: _____
Alex Meruelo
Manager

GAGE VILLAGE COMMERCIAL
DEVELOPMENT, LLC, a California
limited liability company

By: _____
Alex Meruelo
Manager

CERTIFICATION ON NEXT PAGE

Certification

The undersigned, hereby certifies, under penalty of perjury, that this Agreement to Terminate (a) was provided to its members for action and that at least eighty percent (80%) voted in favor of termination of the Association and termination of the Declaration; (b) that the affirmative action was taken by those members whose votes are recorded in the official records of the Association, and (c) that such affirmative vote conforms with the requirements found in the Declaration.

ASSOCIATION:

Grand Sierra Resort Unit-Owners Association, A
Nevada Nonprofit Corporation

By: _____
Richard M. Teichner, Receiver

STATE OF NEVADA)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2023, by Alex Meruelo as Manager of MEI-GSR Holdings, LLC, a Nevada limited liability company, as manager of AM-GSR HOLDINGS LLC, a Nevada limited liability company, and as manager of GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, a California limited liability company

Notary Public

STATE OF NEVADA)
)
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2023, by _____ as Receiver of Grand Sierra Resort Unit-Owners Association, a Nevada nonprofit corporation.

Notary Public

EXHIBIT A

Legal Description

The land referred to herein is situated in the State of Nevada, County of, described as follows:

PARCEL 1:

All that certain lot, piece or parcel of land situated in the City of Reno, County of Washoe, State of Nevada, Section Seven (7), Township Nineteen (19) North, Range Twenty (20) East, M.D.M.:

BEGINNING at the Northwest corner of Parcel Map No. 340, recorded November 10, 1976, Official Records, Washoe County, Nevada, said POINT OF BEGINNING being further described as lying on the Southerly right of way of Glendale Avenue;

THENCE North 88°15'47" East along said Southerly right of way 347.44 feet to a found 5/8" rebar with cap, stamped "Summit Engineers RLS 4787", said point also being the Northeast corner of Parcel 1 of Parcel Map 338, recorded November 10, 1976, Official Records, Washoe County, Nevada;

THENCE South 00°06'54" East along the East line of said Parcel 1, a distance of 208.59 feet;

THENCE South 89°53'06" West, 174.30 feet;

THENCE South 00°06'54" East, 158.86 feet to the South line of said Parcel 2;

THENCE North 89°23'54" West along said South line, a distance of 174.31 feet to a found 5/8" rebar, being the Southwest corner of said Parcel 1;

THENCE North 00°05'36" East along the West line of Parcel 1, a distance of 355.44 feet to the POINT OF BEGINNING.

Said parcel is also shown as Adjusted Parcel 2 on Record of Survey No. 3004.

APN: 012-211-24.

PARCEL 1-A:

A non-exclusive easement for the right, privilege and authority
Continued on next page

for the purpose only of ingress and egress of vehicles and/or persons in, upon and over the roadway and cuts, located on the land and premises, situated in the County of Washoe, State of Nevada, described as follows:

The following describes a parcel of ground located within the South 1/2 of Section 7, Township 19 North, Range 20 East, M.D.B.&M., County of Washoe, State of Nevada, and being more particularly described as follows:

BEGINNING at the Northeast corner of Parcel B, as shown on Parcel Map No. 227, filed in the office of the Washoe County Recorder on the 26th day of February, 1976, File No. 397925; thence South 89°23'54" East, 51.51 feet;

THENCE North 89°53'06" East, 10.00 feet to the true point of beginning; thence North 0°06'54" West, 29.91 feet, thence 15.71 feet on the arc of a tangent curve to the left, having a radius of 10.00 feet and a central angle of 90°00'00"; thence North 0°06'54" West, 60.00 feet; thence 15.71 feet on the arc of a curve to the left whose tangent bears North 89°53'06" East, having a radius of 10.00 feet and a central angle of 90°00'00"; thence North 0°06'54" West, 80.00 feet; thence 15.71 feet on the arc of a tangent curve to the left, having a radius of 10.00 feet and a central angle of 90°00'00";

THENCE North 0°06'54" West, 60.00 feet; thence 15.71 feet on the arc of a curve to the left, whose tangent bears North 89°53'06" East, having a radius of 10.00 feet and a central angle of 90°00'00"; thence North 0°06'54" West, 90.00 feet;

THENCE 15.55 feet on the arc of a tangent curve to the right, having a radius of 9.72 feet and a central angle of 91°37'19" to a point on the Southerly right of way of Glendale Avenue; thence along said Southerly right of way line North 88°15'47" East, 69.74 feet; thence departing said Southerly right of way line, 15.42 feet on the arc of a curve to the right, whose tangent bears South 88°15'47" West, having a radius of 10.00 feet and a central angle of 88°22'41"; thence South 0°06'54" East, 361.61 feet; thence South 89°53'06" West, 50.00 feet to the true point of beginning.

Continued on next page

EXCEPT all that portion of said easement lying within the hereinabove described Parcel 1.

Document Number 2292338 is provided pursuant to the requirements of Section 1. NRS 111.312

PARCEL 2:

A portion of the North Half (N 1/2) of Section 18, Township 19 North, Range 20 East, M.D.M., more particularly described as follows:

COMMENCING at the Section corner common to Sections 7, 8, 17 and 18, Township 19 North, Range 20 East, M.D.M. and proceeding South 10°25'59" East, a distance of 99.98 feet to a 1/2 inch diameter pin, said pin being at the Northeast corner of that land conveyed from Matley, et al, to Lee Brothers, in a deed recorded as Document No. 306898 of the Official Records of Washoe County, Nevada; thence North 89°00'20" West, along the Northerly line of said Parcel, a distance of 563.20 feet to a 1/2 inch diameter iron pin; thence South 00°59'40" West, a distance of 187.77 feet to a 1/2 inch diameter iron pin; thence North 84°35'28" West, a distance of 24.46 feet to the TRUE POINT OF BEGINNING; thence North 84°35'28" West, a distance of 231.51 feet; thence South 00°54'52" West, a distance of 370.06 feet to a galvanized steel fence post; thence North 54°40'01" West, a distance of 335.84 feet to a point on the Southerly right of way line of Greg Street; thence along the Southerly right of way line of Greg Street the following four (4) courses and distances: 1) North 47°58'37" East, a distance of 232.02 feet; 2) from a tangent which bears the last named course, along a circular curve to the right with a radius of 760.00 feet and a central angle of 19°23'42", an arc length of 257.27 feet to a point of compound curvature; 3) along said compound circular curve to the right with a radius of 45.00 feet and central angle of 83°54'13", an arc length of 65.90 feet; 4) South 28°43'28" East a distance of 134.97 feet to the TRUE POINT OF BEGINNING, all as shown and set forth on that certain Record of Survey for MGM GRAND, filed in the office of the County Recorder of Washoe County, Nevada, on November 24, 1981, as File No. 769946.

APN: 012-231-29

Continued on next page

Document Number 2292339 is provided pursuant to the requirements of Section 1. NRS 111.312

PARCEL 3:

A parcel of land situate in Sections 7 & 18, Township 19 North, Range 20 East, M.D.M., Reno, Washoe County, Nevada, and more particularly described as follows:

Beginning at the intersection of the Northerly line of Mill Street with the Easterly line of U.S. Highway 395 as shown on Record of Survey Map Number 1518, File Number 769946 of the Official Records of Washoe County, Nevada, from which the Northeast corner of said Section 18 bears North 86°22'05" East a distance of 3260.13 feet; thence along the Easterly line of Interstate 580 the following eight (8) courses and distances; 1) North 09°34'52" West, a distance of 352.44 feet; 2) North 03°28'05" West, a distance of 425.16 feet; 3) North 01°26'55" West, a distance of 498.41 feet; 4) North 01°24'09" West, a distance of 434.30 feet; 5) from a tangent which bears North 01°25'23" West, along a circular curve to the right with a radius of 858.86 feet and a central angle of 36°09'39", an arc length of 541.54 feet; 6) from an tangent which bears North 34°44'16" East along a circular curve to the left with a radius of 900.00 feet and a central angle of 28°28'08", an arc length of 447.19 feet; 7) North 06°16'08" East a distance of 117.19 feet; 8) from a tangent which bears the last named course, along a circular curve to the right with a radius of 61.15 feet and a central angle of 83°37'49", an arc length of 89.26 feet to a point on the Southerly line of Glendale Avenue; thence along the Southerly line of Glendale Avenue the following four (4) courses and distances; 1) North 89°53'57" East, a distance of 196.41 feet; 2) North 00°06'21" East, a distance of 4.00 feet; 3) North 89°53'57" East, a distance of 11.17 feet; 4) North 88°16'07" East, a distance of 80.83 feet to a point on the Westerly line of Watson and Meehan Corporation Property, said point being the Northeasterly corner of Parcel No. 1, as shown on the Parcel Map No. 340, filed in the Office of Washoe County Recorder on November 10, 1976 File No. 434453; thence along the Westerly, Southerly, and Easterly lines of said Watson and Meehan Corporation Property the following three (3) courses and distances: 1) South 00°05'56" West, a distance of 355.44 feet; 2) South

Continued on next page

89°23'34" East, a distance of 348.62 feet; 3) North
 00°06'34" West, a distance of 369.63 feet to a point on the
 Southerly right of way line of Glendale Avenue, said point
 being the Northeast corner of Parcel No. 1, as shown on
 the Parcel Map No. 338, filed in the Office of Washoe
 County Recorder on November 10, 1976, File No. 434451;
 thence North 88°16'07" East, along the Southerly right of
 way line of Glendale Avenue, a distance of 156.65 feet;
 thence South 02°12'06" East a distance of 4.24 feet to the
 Northeast corner of a concrete block wall, thence South
 02°12'06" East, along Easterly face of said block wall, a
 distance of 13.05 feet to an angle point in said block
 wall; thence North 88°00'20" East, along the Northerly
 line of said block wall, a distance of 61.31 feet to a chain
 link fence; thence along said chain link fence the
 following seventeen (17) courses and distances; 1) South
 88°11'19" East, a distance of 18.04 feet; 2) South 79°03'12"
 East, a distance of 10.54 feet; 3) South 70°04'24" East, a
 distance of 9.08 feet; 4) South 56°48'54" East, a distance
 of 10.33 feet; 5) South 52°50'24" East, a distance of 49.76
 feet; 6) South 49°03'32" East, a distance of 10.57 feet; 7)
 South 38°43'47" East, a distance of 78.93 feet; 8) South
 41°22'11" East, a distance of 10.14 feet; 9) South
 48°20'20" East, a distance of 10.07 feet; 10) South
 54°50'53" East, a distance of 10.04 feet; 11) South
 59°44'13" East, a distance of 39.96 feet; 12) South
 50°21'10" East, a distance of 10.37 feet; 13) South
 39°50'28" East, a distance of 10.12 feet; 14) South
 31°57'47" East, a distance of 105.60 feet; 15) South
 20°08'38" East, a distance of 76.52 feet; 16) South
 34°19'10" East, a distance of 165.32 feet; 17) South
 14°17'58" East, a distance of 279.78 feet; thence along a
 line that is more or less coincident with said chain link
 fence the following fifteen (15) courses and distances: 1)
 South 06°44'18" East, a distance of 109.36 feet; 2) South
 05°15'13" East, a distance of 158.53 feet; 3) South
 27°57'06" East, a distance of 129.07 feet; 4) South
 43°18'46" East, a distance of 228.10 feet; 5) South
 44°58'46" East, a distance of 133.07 feet; 6) South 38°2'46"
 East, a distance of 64.06 feet; 7) South 47°15'56" East, a
 distance of 107.92 feet; 8) South 50°50'59" East, a
 distance of 489.05 feet; 9) South 55°41'02" East, a distance
 of 45.51 feet; 10) South 46°38'29" East, a distance of 98.99
 feet; 11) South 63°53'42" East a distance of 151.28 feet;
 12) South 53°31'06" East, a distance of 151.08 feet; 13)

Continued on next page

North 78°53'28" East, a distance of 75.55 feet; 14) South 73°46'40" East, a distance of 132.04 feet; 15) South 64°35'20" East, a distance of 98.69 feet to a point on the Northerly right of way line of Greg Street; thence along the Northerly right of way line of Greg Street the following ten (10) courses and distances: 1) South 20°40'40" West, a distance of 294.78 feet; 2) from a tangent which bears South 47°48'19" West, along a circular curve to the right with a radius of 750.00 feet and a central angle of 27°10'38", and arc length of 355.75 feet; 3) South 74°58'57" West, a distance of 120.67 feet; 4) from a tangent which bears the last named course, along a circular curve to the right with a radius of 36.00 feet and a central angle of 31°49'47", an arc length of 20.00 feet to a point of compound curvature; 5) along said compound circular curve to the right with a radius of 116.00 feet and a central angle of 32°40'13", an arc length of 66.14 feet; 6) South 71°14'17" West, a distance of 50.82 feet; 7) South 11°03'06" East, a distance of 8.54 feet; 8) from a tangent which bears the last named course, along a circular curve to the right with a radius of 36.00 feet and a central angle of 76°26'01", an arc length of 48.02 feet to a point of reverse curvature; 9) along said reverse circular curve to the left with a radius of 604.00 feet and a central angle of 17°23'58", an arc length of 183.42 feet; 10) South 47°58'57" West, a distance of 824.52 feet to the Northeast corner of parcel conveyed to Bruno Benna, et al, recorded as Document No. 83899, Official Records of Washoe County, Nevada; thence North 63°46'57" West along the Northerly line of said Benna Parcel, a distance of 1099.66 feet to the Northeast corner of Parcel B as shown on Parcel Map No. 341, filed in the office of Washoe County recorded on November 10, 1976, File No. 434454, thence South 26°13'03" West, along the Easterly line of said Parcel B, a distance of 266.37 feet; thence South 18°46'57" East and distance of 28.28 feet to a point on the Northerly right of way line of Mill Street; thence North 63°44'52" West, along said Northerly right of way line, a distance of 80.00 feet; thence North 26°13'03" East, a distance of 286.32 feet to the Northerly line of said Benna Parcel; thence from a tangent which bears North 63°43'05" East, along a circular curve to the left with a radius of 86.58 feet and a central angle of 81°31'28" an arc length of 123.19 feet; thence North 77°48'23" West a distance of 234.00 feet; thence South 26°13'03" West a distance of 280.15 feet to the

Continued on next page

Northerly line of Mill Street; thence North $63^{\circ}44'52''$ West, along the Northerly line of Mill Street, a distance of 208.34 feet to the Point of Beginning.

said land is shown and delineated as Parcel A on Record of Survey Map No. 3804, recorded June 23, 2000 as Document No. 2458502, Official Records.

BASIS OF BEARINGS: Recorded of Survey Map Number 2775, File No. 1834848 of the Official Records of Washoe County, Nevada; NAD 83, Nevada West Zone.

APN: 012-211-26

Document Number 2458501 is provided pursuant to the requirements of Section 1. NRS 111.312

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)

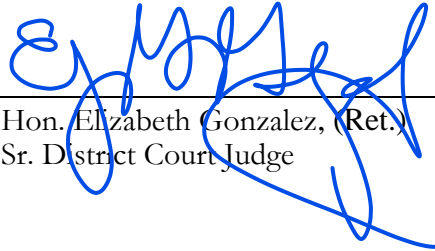
Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on MOTION FOR INSTRUCTIONS TO RECEIVER CONCERNING TERMINATION OF THE GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION AND RENTAL OF UNITS UNTIL TIME OF SALE filed on JANUARY 26, 2023 ("Motion for Instructions").¹ After consideration of the briefing, the Court grants the motion.

The limited definition of occupancy is not one the Court is inclined to adopt. Defendant's argument that the 670 former units of the GSRUOA can no longer be rented under the URA but only occupied would promote economic waste. The 670 former units represent about one third of the

¹ The court has also reviewed the, the Defendants' Opposition filed February 14, 2023 and the Reply filed on February, 24, 2023.

1 total units at the GSR and removing all of those units (including Defendant's) from availability for
2 rental is nonsensical. The Receiver is instructed to continue to rent the former units under the
3 URA.
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5 Dated this 14th day March, 2023.

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7 _____
8 Hon. Elizabeth Gonzalez, (Ret.)
9 Sr. District Court Judge
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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. DEARMOND SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G. DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.
ANN HALL, ESQ.
JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.

Holly W. Lange

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 and related documents and being fully informed rules on Defendants' MOTION FOR LEAVE TO FILE MOTION FOR RECONSIDERATION OF (1) JANUARY 26, 2023 ORDER DENYING DEFENDANTS' MOTION FOR INSTRUCTIONS TO RECEIVER RE REIMBURSEMENT OF 2017 THROUGH 2019 CAPITAL EXPENDITURES; AND (2) JANUARY 26, 2023 ORDER DEFENDANTS' MOTION FOR INSTRUCTIONS REGARDING REIMBURSEMENT OF 2020 CAPITAL EXPENDITURES ("Motion for Leave"),¹ the Court grants the motion to the limited extent that Defendants seek leave to file the motions for reconsideration. In all other

¹ The court has also reviewed the Opposition filed March 6, 2023 and the Reply filed on March 20, 2023..

1 respects the relief sought by the motion will be addressed after full briefing on the motions for
2 reconsideration.

3 Dated this 28th day March, 2023.

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6 Hon. Elizabeth Gonzalez, (Rep.)
7 Sr. District Court Judge
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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. DEARMOND SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G. DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.
ANN HALL, ESQ.
JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.

Holly W. Lange

1 CODE: 3060

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6
7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.

24 **ORDER GRANTING RECEIVER'S MOTION FOR ORDERS & INSTRUCTIONS**

25 Presently before the Court is the Receiver's Motion for Orders & Instructions, filed
26 October 18, 2021 ("Motion"). Plaintiffs filed Plaintiffs' Joinder to Receiver's Motion for Orders
27 & Instructions on October 22, 2021 ("Plaintiff's Joinder"). Defendants filed Defendants'
28 Opposition to Receiver's Motion for Orders & Instructions on October 22, 2021 ("Defendants'
Opposition"). The Receiver then filed Receiver's Reply in Support of Motion for Orders &
Instructions on October 25, 2021 ("Receiver's Reply"). The Motion was submitted for
consideration on October 25, 2021.

1 Case-concluding sanctions were entered against the Defendants for abuse of discovery
2 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
3 Terminating Sanctions, filed October 3, 2014 at 12.) See Young v. Johnny Ribeiro Bldg., Inc.,
4 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
5 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. See
6 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.

7 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
8 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
9 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"). (See
10 Appointment Order at 1:23-26.) The receivership was implemented "for the purpose of
11 implementing compliance, among all condominium units, including units owned by any
12 Defendant in this action . . . with the Covenants, Codes and Restrictions recorded against the
13 condominium units, the Unit Maintenance Agreements and the original Unit Rental Agreements
14 (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25, 2019, Richard
15 Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order Granting Motion to
16 Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed January 25, 2019.)

17 In 2021, the Defendants undertook to have a reserve study done by a third party, which
18 was then to be utilized by the Receiver to calculate those fees to be charged to Plaintiffs
19 (including the Daily Use Fees ("DUF"), Shared Facility Use Expenses ("SFUE"), and Hotel
20 Expenses ("HE")). The Receiver states that various orders of this Court, including the
21 Appointment Order, provide authority solely to Receiver to order and oversee any reserve studies
22 done. (Reply at 2:27-3:5.) Defendants argue that no such orders nor the Governing Documents
23 provide the Receiver with such authority. (Defendants' Opposition at 3:19-24.) Instead,
24 Defendants argue that any attempt by the Receiver to order or oversee the reserve study would be
25 an "impermissibl[e] expan[sion] of his authority." (Id. at 3:20.)

26 The Court issued its Findings of Fact, Conclusions of Law and Order granting in part
27 Defendants' Motion for Leave to File Motion for Reconsideration of December 24, 2020 Order
28 Granting Motion for Clarification and Request for Hearing, on September 29, 2021. Therein, the

1 Court struck the disgorgement order granted in the December 24, 2020 Order Granting
2 Clarification (“December 24, 2020 Order”). Whereas the Court originally instructed that “[u]ntil
3 the DUF, the [HE], and [SFUE] are recalculated by the Receiver, the fees calculated by the past
4 receiver shall be applied,” the revised order struck this reversion to the prior receiver’s
5 calculations. Thus, the Receiver states he is now without direction as to which calculations are
6 to be applied until he is able to redo his own calculations. (See December 24, 2020 Order at
7 3:23-4:10 (where the Court informs the Receiver his calculations for 2020 are incorrect and
8 invalid under the Governing Documents and they must be redone).) Defendants argue the
9 Receiver’s prior calculations, which were in place until the December 24, 2020 Order was
10 issued, should be utilized. Notably, this directly contradicts the Court’s December 24, 2020
11 Order, is inequitable, and thus is denied outright. (Id.)

12 The Appointment Order provides the Receiver authority to take control of “all accounts
13 receivable, payments, rents, including all statements and records of deposits, advances, and
14 prepaid contracts or rents” (Appointment Order at 3:15-18.) Defendants are also ordered to
15 cooperate with the Receiver and not “[i]nterfer[e] with the Receiver, directly or indirectly.” (Id.
16 at 8:2-15.) The Receiver has informed the parties of his intent to open a separate account into
17 which all rents and other proceeds from the units will be deposited, and now requests the Court’s
18 permission to open such an account. (Motion at 11:19; Motion to Stay Special Assessment, filed
19 August 20, 2021 at Ex. 2.) Defendants have refused to cooperate with the Receiver’s request to
20 turnover various proceeds, in violation of the Appointment Order, and now object to Receiver’s
21 authority to open a separate account. (Appointment Order at 8:2-15; Defendant’s Opposition at
22 6:14-7:21.)

23 Pursuant to the Governing Documents, Defendants have implemented a room rotation
24 program whereunder bookings for the units owned by Plaintiffs and Defendants should be
25 equally distributed such that Plaintiffs and Defendants, as individual unit owners, are earning
26 roughly equal revenue. The Receiver contends this room rotation program is flawed and has
27 resulted in a greater number of Defendants’ units being rented than Plaintiffs’ units during
28 various periods through August 2021. (Motion at 14:14-17.)

1 Among the Governing Documents with which the Receiver is ordered to implement
2 compliance is the Seventh Amendment to Condominium Declaration of Covenants, Conditions,
3 Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort,
4 recorded June 27, 2007 (“Seventh Amended CC&Rs”). Defendants, however, after representing
5 to the Court that the Seventh Amended CC&Rs needed to be amended in order to comply with
6 NRS 116B, unilaterally revised and recorded the Ninth Amendment to Condominium
7 Declaration of Covenants, Conditions, and Restrictions and Reservations of Easements for
8 Hotel-Condominiums at Grand Sierra Resort (“Ninth Amended CC&Rs”) to overhaul the fee
9 structure and radically expand the fees chargeable to the Plaintiffs. The Ninth Amended
10 CC&Rs, according to Plaintiffs, substantially increase the expenses to be included in fees
11 charged to Plaintiffs – thus making ownership of the units unviable.

12 Finally, Defendants have communicated with Receiver *ex parte* through a variety of
13 individuals. The Receiver now requests that all communications be funneled through a single
14 individual: Reed Brady. (Motion at 17:4-8.)

15 The Motion requests the Court order (1) that the Notice of Special Assessments and the
16 Reserve Studies sent to the unit owners by Defendants on August 24, 2021 be immediately
17 withdrawn; (2) that the Defendants be ordered to send out a notice to all unit owners of said
18 withdrawal; and (3) that this Court confirm the Receiver’s authority over the Reserve Studies.
19 (Motion at 3:11-14.) The Motion further requests the Court order that the Receiver is to
20 recalculate the charges for the DUF, SFUE, and HE for 2020 based upon the same methodology
21 as has been used in calculating the fee charges for 2021, once the Court approves that
22 methodology. (*Id.* at 8:10-13.) The Motion further requests the Court approve the opening of an
23 account for the Receivership, with the Receiver having sole signatory authority over the account,
24 and order that all rents received by Defendants currently and in the future, generated from either
25 all 670 condominium units or the Plaintiff-owned units, net of the total charges for the DUF,
26 SFUE, and HE fees and for reserves combined, are to be deposited into the account, that the
27 receiver be authorized to make the necessary disbursements to the relevant unit owners at three
28 (3) month intervals, that any disgorgement amounts owed by Defendants be deposited into the

1 Receivership account to be distributed by the Receiver, and that, if the Court orders the current
2 credit balances in the Plaintiffs' accounts are to be deposited in to the Receiver's bank account
3 then, to the extent that such credit balances are to be disgorged, Defendants will pay such credit
4 balances to the Receiver for deposit, and the Receiver will distribute such funds appropriately.
5 (Id. at 11:21-12:13.) The Motion further requests the Court order Defendants to provide the
6 Receiver with the information and documentation he has requested relating to the room rotation
7 program within ten (10) days of this Order. (Id. at 14:20-24.) The Motion further requests the
8 court expedite the determination of the Plaintiffs' Motion for Instructions, filed October 18, 2021
9 and submitted for consideration on October 25, 2021. (Id. at 17:1-3.) Finally, the Motion
10 requests the Court instruct Defendants to funnel all communications to the Receiver through a
11 single individual: Reed Brady. (Id. at 7:5-8.)

12 As this Court has stated previously, "[a] receiver is appointed to maintain the status quo
13 regarding the property in controversy and to safeguard said property from being dissipated while
14 the plaintiff is pursuing his remedy." (Order Denying Motion to Terminate Rental Agreement,
15 filed October 12, 2020 (citing Milo v. Curtis, 100 Ohio App.3d 1, 9, 651 N.E.2d 1340, 1345
16 (Ohio Ct. App. 1994).) This Court reiterated this premise in another order, stating that "[o]ne of
17 the purposes of the [Appointment] Order was to preserve the status quo of the parties during the
18 pendency of the action. Another purpose was to enforce [the] agreements." (Order, filed
19 November 23, 2015 at 1:22-23.) Nevada law supports this obligation of the Receiver. See
20 Johnson v. Steel, Inc., 100 Nev 181, 183, 678 P.2d 767, 678 (1984) (the appointment of a
21 receiver is a "remedy used to preserve the value of assets pending outcome of the principal case"
22 and is "a means of preserving the status quo"), overruled on other grounds by Shoen v. SAC
23 Holding Corp., 122 Nev. 621, 137 P.3d 1171 (2006); accord Dunphy v. McNamara, 50 Nev. 113,
24 252 P. 943, 944 (1927) (a court of equity has "ample authority" to utilize a receiver to preserve
25 the status quo).

26 Furthermore, upon the appointment of the Receiver, all authority to manage and control
27 the GSRUOA was immediately transferred from the GSRUOA's Board of Directors, managers,
28 officers, the Declarant, and other agents to the Receiver. Francis v. Camel Point Ranch, Inc.,

1 2019 COA 108M, ¶¶ 6-10, 487 P.3d 1089, 1092-93, as modified on denial of reh'g (Colo. Ct.
2 App. Sept. 19, 2019) (noting that “[u]pon the receiver’s appointment, [Defendant’s] corporate
3 officers and directors lost all authority to control the corporation”); First Sav. & Loan Ass’n v.
4 First Fed. Sav. Loan Ass’n, 531 F. Supp. 251, 255 (D. Haw. 1981) (“When a receiver is
5 appointed for a corporation, the corporation’s management loses the power to run its affairs and
6 the receiver obtains all of the corporation’s powers and assets.”). “Simply put, corporate
7 receivership is a court-mandated change in corporate management.” Francis, 487 P.3d 1089 at
8 1092-93.

9 Thus, upon appointment of the Receiver, the GSRUOA’s Board of Directors was
10 divested of the authority it has errantly exercised to issue that Notice of Special Assessment and
11 the Reserve Studies which was sent to all unit owners on August 24, 2021. Accordingly, such
12 Notice of Special Assessment and any actual imposition of special assessment is *void ab initio*
13 and therefore invalid. Only the Receiver can impose special assessments.

14 Next, the Findings of Fact, Conclusions of Law and Judgement issued on October 9,
15 2015 (“FFCLJ”), explicitly ordered the Receiver to calculate “a reasonable amount of FF&E,
16 shared facilities and hotel reserve fees” and other necessary fees to be assessed against Plaintiffs.
17 (FFCLJ at 22:25-27.) Accordingly, the Receiver is to calculate the DUF, SFUE, and HE for
18 2020. Such calculations should be based upon the same methodology as used for the 2021 fees,
19 once the Court has approved of such methodology.

20 The Appointment Order expressly allows for the Receiver to open an account for the
21 Receivership. (Appointment Order at 6:26 (the Receiver is allowed to “open and utilize bank
22 accounts for receivership funds”).) Indeed, the Appointment Order also expressly calls for the
23 Receiver to collect proceeds from the Property (defined as the 670 condominium units),
24 including, but not limited to, rent earned therefrom. (Id. at 5:17-19.) It logically follows then
25 that the Receiver may open a separate account for the Receivership in which it may hold all rents
26 from the Property, as defined in the Receivership Order.

27 The Appointment Order also expressly calls for Defendants to cooperate with the
28 Receiver and refrain from taking any actions which will interfere with the Receiver’s ability to

1 perform his duties. (Id. at 8:2-15.) Accordingly, Defendants should supply the Receiver with all
2 information, explanation, and documentation the Receiver may request regarding the room
3 rotation program and apparent inadequacy thereof.

4 The Receiver was specifically tasked with implementing compliance with the Governing
5 Documents, including the Seventh Amended CC&Rs. (Appointment Order at 1:27-2:3.)
6 Reading this obligation to implement compliance with the Seventh Amended CC&Rs with the
7 obligation to maintain the status quo, this Court finds that the Seventh Amended CC&Rs cannot
8 be amended, repealed, nor replaced until the Receiver is relieved of his duties by the Court. The
9 continuance of this specific Governing Document will ensure the status quo, as is the purpose of
10 a receivership. Johnson, 100 Nev. at 183, 678 P.2d at 678; Dunphy, 50 Nev. 113, 252 P. at 944.
11 The automatic and immediate transfer of control over the GSRUOA to the Receiver therefore
12 divested the GSRUOA's Board of Directors from any authority it had to propose, enact, and
13 otherwise make effective the Ninth Amended CC&Rs. The Ninth Amended CC&Rs are thus
14 *void ab initio*, as they were enacted without proper authority. Accordingly, the Ninth Amended
15 CC&Rs are *void ab initio*, and even if they were not, the Ninth Amended CC&Rs would be
16 improper and thus subject to rescission or cancellation.

17 Finally, the Court finds it appropriate for Defendants to funnel all communication with
18 the Receiver through a single individual. For the time being, such individual shall be Reed
19 Brady. Mr. Brady may delegate tasks to others, however, only Mr. Brady should communicate
20 answers, conclusions, or other findings to the Receiver.

21 **IT IS HEREBY ORDERED** that Receiver's Motion is granted **in full**.

22 **IT IS FURTHER ORDERED** (i) that the Notice of Special Assessments and the
23 Reserve Studies sent to the unit owners by the Defendants on August 24, 2021 shall be
24 immediately withdrawn; (ii) that the Defendants shall send out a notice to all unit owners of said
25 withdrawal within ten (10) days of this Order; (iii) that any amounts paid by unit owners
26 pursuant to the Notice of Special Assessment shall be refunded within ten (10) days of this
27 Order; and (iv) that the Receiver has sole authority to order and oversee reserve studies related to
28 Defendants' property and under the Governing Documents.

1 **IT IS FURTHER ORDERED** that the Receiver shall recalculate the DUF, SFUE, and
2 HE based on the same methodology as has been used in calculating the fee charges for 2021,
3 subject to Court approval of such methodology. Those fees in place prior to the Court's
4 September 27, 2021 Order shall remain in place until the fees for 2020 are recalculated and
5 approved by this Court such that only a single account adjustment will be necessary.

6 **IT IS FURTHER ORDERED** that the Receiver shall open a separate account on which
7 Receiver has sole signatory authority, and into which all rents received by Defendants currently
8 for all 670 condominium units, net of total charges for DUF, SFUE, and HE fees and reserves,
9 are to be deposited. The Receiver shall disburse the revenue collected to the parties according to
10 the Governing Documents. In the event the Court requires a disgorgement by Defendants to
11 Plaintiffs, Receiver shall deposit such disgorgements into this separate account and disburse the
12 same to Plaintiffs appropriately.

13 **IT IS FURTHER ORDERED** that Defendants shall provide Receiver with any
14 information, explanation, and documentation he may request regarding the room rotation
15 program and any perceived discrepancies therewith, until Receiver is either satisfied with the
16 adequacy of the program or until Receiver deems it appropriate to seek judicial intervention.

17 **IT IS FURTHER ORDERED** that the Ninth CC&Rs are *void ab initio* and the Seventh
18 CC&Rs are to be resurrected as though they had not been withdrawn or superseded.

19 **IT IS FURTHER ORDERED** that Defendants shall funnel all communication with the
20 Receiver through Reed Brady. Defendants and Receiver may mutually agree to choose an
21 alternative representative through which communication shall be directed. Mr. Brady, and any
22 subsequent representative, may delegate requests, questions, or other tasks necessary to respond
23 to Receiver's communications, but any answers, conclusions, or other results shall be
24 communicated back to Receiver through only Mr. Brady and no other individual.

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