

THE CLARKSON

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May 16, 2023

Via Electronic Mail

Mr. Michael Kosor
c/o Mr. Inku Nam, Esq.
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*RE: Southern Highlands Community Association – Hearing Determination Letter for May 12, 2023, Michael Kosor Hearing Regarding Non-Compliance with NRS 116.31034
NRED Case #2022-858*

Dear Mr. Kosor:

The Board of Directors (“Board”) thanks you for your appearance at the May 12, 2023, hearing regarding non-compliance with NRS 116.31034. The matter at issue and related details were set forth in the hearing notice dated May 2, 2023, and exhibits thereto, which are hereby incorporated into this letter by reference as if fully set forth herein. This letter serves as notice of the Southern Highlands Community Association (“SHCA” or “Association”) Board’s determination with respect to the hearing.

As you were aware in advance of the hearing and as set forth at the beginning of the hearing, the singular matter at issue was your eligibility to serve on the Board of Directors under NRS 116.31034. The specific eligibility concerns related to your service and the potential to profit or be compensated were outlined in the April 28, 2023, letter from the Nevada Real Estate Division (“NRED”), which was attached to the hearing notice as **Exhibit 5** and read at the hearing. The state’s letter warned that the NRED would be prosecuting the Association for non-compliance with NRS 116.31034 due to the Association’s failure to prohibit you from serving on the Board as required by NRS 116.31034 unless the Association cured the non-compliance by May 28, 2023. Therefore, the hearing was set in advance of the state-mandated deadline.

The Board made every effort to clarify and streamline the matter at hand. However, through your attorney, you advanced a variety of arguments focusing primarily on the issue of declarant transition and Mr. McCarley’s 2022 nomination form. Neither you nor your counsel addressed the Association’s suggested cure. Neither you nor your counsel presented a means to cure the violation of NRS 116.31034. Neither you nor your counsel addressed the state’s concerns relative to your status as a litigant in District Court Case A-20-825485-C and Appellate Court Case 85621. Instead it was suggested that the Association join you in challenging the state of Nevada’s position relative to NRS 116.

The Board has determined that the arguments advanced were without merit and failed to cure the violation of NRS 116.31034. Furthermore, you failed to provide any argument or evidence indicating that you do not stand to gain personal profit from matters before the Board in violation of NRS 116.31034 as alleged in the April 28, 2023, NRED letter. Therefore, in accordance with NRS 116.31034(10)(a)(2)&(13) and the April 28, 2023 NRED letter, the Board determined that you stand to gain personal profit from matters before the Board, including but not limited to attorney's fees owed by you to the Association as ordered by the court, as a litigant in District Court Case A-20-825485-C and Appellate Court Case 85621 and your position on the Board has been deemed vacant by operation of law effective the date of this letter.

Sincerely,

THE CLARKSON LAW GROUP, P.C.

/s/ Adam Clarkson

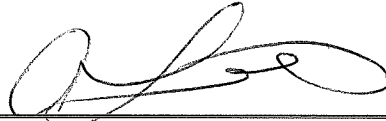
Adam H. Clarkson, Esq.

CERTIFICATE OF MAILING

I, Ashley Livingston, certify that I am an employee of the law firm of The Clarkson Law Group, P.C., and that on May 16, 2023, I caused to be served a true and correct copy of the correspondence:
Re: Southern Highlands Community Association – Hearing Determination Letter for May 12, 2023, Michael Kosor Hearing Regarding Non-Compliance with NRS 116.31034
NRED Case #2022-858.

Via Electronic Mail

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