## IN THE SUPREME COURT OF THE STATE OF NEVADA

OMAR MAZEGHOU, AN INDIVIDUAL; AND NANCY FARLEY, AN INDIVIDUAL, Appellants, VS. DESERT INN VILLAS HOMEOWNERS' ASSOCIATION, A NEVADA NONPROFIT CORPORATION; JARED CARLE, AN INDIVIDUAL; FIRST COLUMBIA COMMUNITY MANAGERS, INC., A NEVADA CORPORATION: JASON KELLY, AN INDIVIDUAL; AND HOA COLLECTIONS, LLC, A NEVADA LIMITED LIABILITY COMPANY, Respondents.

No. 84218



## ORDER OF REVERSAL AND REMAND

This appeal challenges a dismissal order in a torts and breachof-contract action. Eighth Judicial District Court, Clark County; Jerry A.
Wiese, Judge.¹ The underlying dispute arises from appellants Omar
Mazeghou's and Nancy Farley's ownership of a property located within a
community governed by respondent Desert Inn Villas Homeowners'
Association (the HOA). Mazeghou and Farley filed a complaint alleging
fifteen claims against respondents (collectively, Desert Inn Villas) related
to the HOA recording an assessment lien against their property while
Mazeghou was deployed and allegations that certain HOA board members
improperly addressed hazardous conditions in the community's common

<sup>&</sup>lt;sup>1</sup>Pursuant to NRAP 34(f)(1), we have determined that oral argument is not warranted.

areas. The district court dismissed their complaint under NRS 38.310 because Mazeghou and Farley failed to first submit the matter for mediation or arbitration before the Nevada Real Estate Division (NRED). Mazeghou and Farley now appeal.

As resolution of this appeal involves analysis of NRS 38.310, our review is de novo. See Saticoy Bay, LLC, Series 9720 Hitching Rail v. Peccole Ranch Cmty. Ass'n (Hitching Rail), 137 Nev. 516, 518, 495 P.3d 492, 495 (2021) (reviewing issues of statutory construction de novo). NRS 38.310 requires parties to attempt alternative dispute resolution as a prerequisite to filing a civil action "based upon a claim relating to...[t]he interpretation, application or enforcement of any covenants, conditions or restrictions [CC&Rs] applicable to residential property or any bylaws, rules or regulations adopted by an association"; or "[t]he procedures used for increasing, decreasing or imposing additional assessments upon residential property." NRS 38.310(1)(a)-(b). It further provides that "if the civil action concerns real estate within a planned community," such as here, all administrative procedures specified in the CC&Rs must first be exhausted before filing a claim in district court. Id.

We have clarified that, under this statute, "a claim does not relate to the CC&Rs unless deciding the claim requires interpreting, applying, or enforcing the CC&Rs." Hitching Rail, 137 Nev. at 521, 495 P.3d at 498. "Therefore, only in disputes where the claim itself requires—not where the facts surrounding the claim merely involve—the interpretation, application, or enforcement of CC&Rs, does the claim relate to the CC&Rs for the purposes of NRS 38.310." Id. at 522, 495 P.3d at 498. Claims that do not meet this test may proceed in the court. Id. Thus, district courts "must consider whether each claim requires the district court

to interpret, apply, or enforce an association's CC&Rs in order to resolve the claim (and, if relevant, whether the claim falls into one of NRS 38.310's exceptions)." *Id*.

Here, the district court did not consider each claim individually to determine whether they fell under NRS 38.310. Instead, the district court broadly found that dismissal was required under NRS 38.310 because "the claims asserted by the Plaintiffs involve the interpretation, application and/or enforcement of the covenants, conditions or restrictions applicable to the residential property at issue." On remand, the district court must determine, after analyzing each claim individually, whether some claims may proceed before it in the first instance. We therefore

ORDER the judgment of the district court REVERSED AND REMAND this matter to the district court for proceedings consistent with this order.

Stiglich, C.J.

Stiglich

Lee

, J.

Roll, J.

cc: Hon. Jerry A. Wiese, Chief Judge Charles K. Hauser, Settlement Judge Nancy Farley Omar Mazeghou Royal & Miles, LLP Leach Kern Gruchow Anderson Song/Las Vegas Eighth District Court Clerk

SUPREME COURT OF NEVADA

