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STATEMENT OF:

**DENNIS GREEN
PRESIDENT,
LEGENDS GREEN VALLEY
HOMEOWNERS ASSOCIATION**

**ASSEMBLY JUDICIARY COMMITTEE
APRIL 8, 2003**

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ASSEMBLY JUDICIARY

DATE: 4/8/03 ROOM: 3138 EXHIBIT

SUBMITTED BY: Dennis Green

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ASSEMBLY JUDICIARY COMMITTEE

April 8, 2003

Statement of Dennis Green

Good morning ladies and gentlemen:

My name is Dennis Green. I live in the Legends Green Valley condominiums in Henderson, Nevada. I graduated from Las Vegas High School in 1965. I was drafted into the Army in 1966, and served in Vietnam. I now work at the Mandalay Bay.

I am here today to testify before you as the President of the Legends Green Valley Homeowners Association and as one of the 195 families that live in the community.

Nine months after I moved in, I was one of the first homeowners elected to the Board of Directors to serve with the builder. Prior to then, the builder held all director and officer positions. I served as a director from November 1996 until November 1997, while the builder still controlled the Association by filling a majority of the director and all officer positions. In November of 1997 the homeowners took over control of the Association. I was elected President then, and have served in that capacity ever since.

Even before I was elected to the Board, it was obvious that there were construction defect problems throughout the community. Homeowners complained of excessive noise between units and water leaking through windows, decks and roofs. At one of the first Board meetings that I attended, when the builder controlled the Association, they admitted and agreed that the excessive noise problem was construction related. They essentially said, "Yeah, we know it's a problem, but there's nothing we can do about the units that are already built." However, they also said that they would be adding soundboards to the units that were still under construction and that would eliminate the problem.

We now know that both of those statements were false. After several years of litigation, the builder's own experts agreed that there was a noise problem throughout the community, including those units that were allegedly built with soundboards, and that there was a way to fix the problems in all of the homes.

Homeowners were also reporting water leaking through windows, decks and roofs. Homeowners on the first floor would report water leaking through second floor windows and decks that were causing stains, peeling paint and deterioration of wallboard. Some first floor homeowners even had water leaking all the way down to their carpet. I and many of my neighbors made numerous complaints to the builder related to these and other issues. I also understand that many homeowners made numerous unsuccessful complaints to the Contractor's Board. We either got no response whatsoever, or told "we're working on it." When repairs were attempted they were simply band-aid type repairs to the symptoms, rather than a repair of the true construction defects that were causing the damage, over and over again.

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After a couple of years of trying to work directly with the builder, we gave up and hired an attorney. The attorney arranged to have licensed architects and engineers investigate our community and identify our problems. The experts made a list of the problems they found and our attorney sent that list to the builder in a certified letter on April 29, 1998.

Although our builder was required by Chapter 40 to inspect our community and respond to our certified letter within 3½ months, it requested and got us to agree to give them more than a year extra to inspect the community and make a response to our claims. The lawyers hired by their insurance company promised us that a credible offer to resolve all of the problems would be made if we gave them extra time.

This also turned out to be false. On March 12, 1999, we got our response from the builder. They didn't offer to repair anything. Instead, their insurance company offered us \$199,076.02. In response to one of our primary concerns, the noise problems, they wrote, "None observed." We later found out that the builder's experts had calculated a cost to repair our defects at more than \$5 Million.

We were forced to authorize our attorneys to file a lawsuit on our behalf in July 1999. We were then forced through three (3) more years of litigation, enduring no less than five (5) trial continuances before finally getting our day in Court in late June, 2002. After six (6) weeks of trial, the jury returned a verdict in our favor in the amount of \$12,000,000.00. The jury found that the builder was guilty on each and every one of the defects that the builder caused. We recently were able to settle the case after the trial, and will begin repairs next month.

What made this lawsuit especially troubling for the homeowners is the fact that FHA and VA financing was taken away from our community. We understand that we will only be able to get FHA and VA financing back once all of the repairs are made to all of the condominium homes.

In closing, I want you to know that neither myself or any of the homeowners in the community wanted to be involved in a lawsuit. Unfortunately, we were forced to do so because our builder wouldn't stand behind its product.