FILED
Jul 06 2026
ELIZABETH A. BROWN
CLERK OF SUPREME COURT

IN THE SUPREME COURT OF THE STATE OF NEVADA

| | |
|---|---|
| IGNITE TEEN TREATMENT, LLC, A NEVADA LIMITED LIABILITY COMPANY; AND MENACHEM M. BARON, AN INDIVIDUAL,<br>Appellants/Cross-Respondents,<br>vs.<br>VIRTUE AT THE POINTE, LLC, AN OREGON LIMITED LIABILITY COMPANY D/B/A VIRTUE RECOVERY; AND NEWPORT CONSULTING, INC., A NEVADA CORPORATION,<br>Respondents/Cross-Appellants. | No. 88947 |

*ORDER OF AFFIRMANCE*

This is an appeal and cross-appeals in a contract action involving a commercial lease and sublease. Eighth Judicial District Court, Clark County; Joanna Kishner, Judge.

In June 2020, appellants/cross-respondents Ignite Teen Treatment, LLC, and its CEO Menachem Baron (collectively, Ignite) leased a commercial building (the Lease) from respondent/cross-appellant Newport Consulting, Inc. (Newport). After Ignite fell behind on rent, Newport signed a consent to sublease the premises (the Consent). With the Consent in place, Ignite agreed to sublease (the Sublease) the premises to respondent/cross-appellant Virtue at the Pointe, LLC (Virtue). Ignite failed to pay all amounts due under the Lease and the Consent. As a result, Newport terminated the Lease and entered a direct lease with Virtue.

In October 2022, Newport sued Ignite, alleging damages resulting from the breach of the Lease and the Consent. Ignite alleged counterclaims and third-party claims against Newport and Virtue. Virtue alleged third-party counterclaims against Ignite based on a letter Ignite

sent to the Nevada State Department of Health and Human Services (DHHS) that requested a delay during Virtue's licensing process with DHHS and allegedly resulted in damages to Virtue. The ligation proceeded through multiple motions for summary judgment.

On August 28, 2023, the district court granted partial summary judgment in favor of Newport, concluding Ignite breached the Consent and Lease. The district court denied Ignite's motions to reconsider and set aside the grant of partial summary judgment and later granted summary judgment on the damages Newport incurred. The case proceeded to a two-day bench trial, focusing on Virtue's claims. After trial, the district court entered the final judgment in favor of Virtue.

Ignite appeals, arguing that the district court erred in granting summary judgment. Virtue cross-appeals, arguing the district court erred in resolving its claims of intentional interference with prospective economic advantage and libel against Ignite. And Newport cross-appeals, asserting the district court erred in not awarding the attorney fees Newport incurred in justice court.

*Appeal (Ignite)*

*Summary judgment*

Ignite argues the district court erred in determining Ignite breached the Consent and Lease. Ignite contends that this erroneous finding of default invalidates every subsequent order, including the order denying Ignite's motion to set aside and the order granting summary judgment on Ignite's counterclaims and third-party claims. We review an order granting summary judgment de novo. *Wood v. Safeway, Inc.*, 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005). Summary judgment is appropriate "when the pleadings and other evidence on file demonstrate that no genuine issue as to any material fact [remains] and that the moving party is entitled

to a judgment as a matter of law." *Id.* (citation modified). Any reasonable inferences drawn from the evidence in the record "must be viewed in a light most favorable to the nonmoving party." *Id.* Additionally, contract interpretation is a question of law that we review de novo. *Redrock Valley Ranch, LLC v. Washoe County*, 127 Nev. 451, 460, 254 P.3d 641, 647-48 (2011).

Under the plain language of the Lease and the Consent, Ignite was required to pay both $142,799.68 in arrears and $87,034.73 in rent and common area maintenance fees by September 1, 2022. The total of those two amounts was $229,834.41, yet by that date Ignite had paid Newport only $95,126.34. According to Ignite, there is a disputed issue of fact because the Consent modified the Lease and, therefore, default under the Lease is irrelevant. But the record supports the district court because the terms of the Consent specify that it "shall not be deemed . . . a waiver or release of" Ignite from its "responsibility and liability for the payment of all amounts due under the Primary Lease and for compliance with any and all obligations to be performed by [Ignite] as the tenant under the Primary Lease." Consequently, as of September 1, 2022, Ignite was in default. *See Fed. Nat. Mortg. Ass'n v. Westland Liberty Vill., LLC*, 138 Nev. 614, 619, 515 P.3d 329, 334 (2022) ("[C]ourts will look to an agreement's terms to determine what events constitute a default."). Therefore, Ignite has not demonstrated that the district court erred in finding Ignite in default of the Lease and Consent, nor, consequently, shown that the district court erred in denying its motion to set aside or in granting summary judgment on its counterclaims and third-party claims.

*Attorney fees*

Ignite argues the district court erred in awarding attorney fees to Virtue. After Ignite filed the notice of appeal, the district court entered

a post-judgment order awarding attorney fees and costs to Virtue. Ignite did not properly appeal this post-judgment order. *See* NRAP 3A(b)(8) (permitting an appeal from "[a] special order entered after final judgment, including a post-judgment order awarding or refusing attorney fees or costs"); *see also Campos-Garcia v. Johnson*, 130 Nev. 610, 612, 331 P.3d 890, 891 (2014) (recognizing that a post-judgment order awarding attorney fees and costs was appealable separate from the original judgment). Therefore, Ignite has not shown relief is warranted on appeal.

*Cross-appeal (Virtue)*

Virtue raised third-party counterclaims against Ignite, including intentional interference with prospective economic advantage and libel, based on the letter Ignite sent to DHHS stating Ignite had an active lease with Newport and Virtue was in breach of the Sublease. The district court denied the intentional interference claim and awarded nominal damages for the libel claim. Virtue cross-appeals on those grounds.

*Intentional interference*

Virtue argues the district court erred in denying the claim of intentional interference with prospective economic advantage. To succeed on such a claim, the proponent must show five elements, including "actual harm to the plaintiff as a result of the defendant's conduct." *Leavitt v. Leisure Sports Incorp.*, 103 Nev. 81, 88, 734 P.2d 1221, 1225 (1987).

Here, Virtue alleged the DHHS letter caused a delay in the licensing process with DHHS. The district court concluded that the evidence presented by Virtue did not show a nexus between the letter and the delay or between the delay and any damages. The record supports the district court. In particular, the two DHHS employees who testified at trial did not attribute any meaningful delays in the licensing process to the letter. Therefore, the district court did not err in concluding Virtue did not

establish actual harm from Ignite's interference, i.e., sending the DHHS letter. And "[a]bsent proof of each element of the tort of intentional interference with prospective economic advantage, the claim must fail." *Wichinsky v. Mosa*, 109 Nev. 84, 88, 847 P.2d 727, 730 (1993).

*Libel*

Virtue argues the district court erred in awarding only nominal damages for libel per se. A party alleging libel must prove four elements, including "actual or presumed damages." *Pope v. Motel 6*, 121 Nev. 307, 315, 114 P.3d 277, 282 (2005).

In resolving this claim, the district court determined the DHHS letter contained false statements, but the alleged damages were based on the same licensing delay, which lacked an evidentiary connection to the libelous statements. Because Virtue offered no other evidence of harm, the district court awarded Virtue $100 in nominal damages. *Cf. Thompson v. Powning*, 15 Nev. 195, 210 (1880) ("Where there is no . . . actual injury or pecuniary loss . . . proven, the jury may find a verdict for only nominal damages."). Given the nature of the false statements in the DHHS letter (alleging Virtue breached the Sublease), Ignite did not cause serious reputational harm to Virtue. Thus, the record supports that nominal damages were an adequate remedy. *See Diamond Enters., Inc. v. Lau*, 113 Nev. 1376, 1379, 951 P.2d 73, 74 (1997) (explaining the calculation of an award of damages is within the district court's discretion). As a result, Virtue has not shown that relief is warranted on cross-appeal.

*Cross-appeal (Newport)*

Newport argues the district court erred in denying its request for prelitigation attorney fees because there is no language in the Lease limiting an award of prelitigation attorney fees incurred during justice court proceedings. Absent an abuse of discretion, this court will not disturb a

district court's award of attorney fees. *Nelson v. Peckham Plaza P'ships*, 110 Nev. 23, 26, 866 P.2d 1138, 1139-40 (1994).

Even assuming Newport could seek the fees incurred in justice court from the district court, the voluntary dismissal of the proceedings in justice court supports the denial of the requested fees, as Newport was not the prevailing party under the fee-shifting provision of the Lease. Moreover, Newport has not demonstrated an abuse of discretion because properly evaluating a request for an award of attorney fees requires a review of the quality and character of the legal work. *See Brunzell v. Golden Gate Nat'l Bank*, 85 Nev. 345, 349, 455 P.2d 31, 33 (1969) (listing four factors to consider in determining the "reasonable value of an attorney's services"). And here, any fees were incurred in justice court before the commencement of litigation in district court, leaving the district court unable to meaningfully analyze the propriety of attorney fees for that earlier work, regardless. Therefore, the district court was within its discretion to deny the request for fees incurred in a separate proceeding.

Having considered the claims on appeal and cross-appeal and concluded no relief is warranted, we

ORDER the judgment of the district court AFFIRMED.

Pickering, J.

Parraguirre, J.

Bell, J.

cc: Hon. Joanna Kishner, District Judge
Hutchings Law Group, LLC
Kemp Jones, LLP
Claggett & Sykes Law Firm
Greene Infuso, LLP
Eighth District Court Clerk