

BEFORE THE REAL ESTATE COMMISSION **FILED**
STATE OF NEVADA

JUN 25 2021

REAL ESTATE COMMISSION
BY *Emily Patten*

Case No. 2018-600

SHARATH CHANDRA, Administrator,
REAL ESTATE DIVISION,
DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Petitioner,

vs.

BRIAN NELSON,

Respondent.

**FINDINGS OF FACT, CONCLUSIONS
OF LAW, AND ORDER**

This matter came before the Nevada Real Estate Commission (Commission) for hearing on Wednesday March 4, 2021 and continued on Tuesday, June 15, 2021, via telephone and videoconference. Respondent BRIAN NELSON (Respondent) appeared without counsel. Deputy Attorney General, Peter K. Keegan, appeared and prosecuted the Complaint on behalf of petitioner Sharath Chandra, Administrator of the Real Estate Division, Department of Business & Industry, State of Nevada (Division).

The matter having been submitted for decision based upon the allegations of the Complaint, the Commission now enters its Findings of Fact and Conclusions of Law as follows:

JURISDICTION

Respondent engaged in activities which require a license as a real estate broker, real estate broker-salesperson, or real estate salesperson, and/or a permit to engage in property management, issued by the Division, and is, therefore, subject to the jurisdiction of the Division and the Commission, and the provisions of NRS and NAC 645.

FACTUAL ALLEGATIONS

The Commission finds that there is substantial evidence in the record to establish each of the following:

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1 1. RESPONDENT has been licensed as a real estate broker salesperson, License
2 Number BS.0037511.INDV, since February 20, 1996.

3 2. RESPONDENT identified himself as a Broker Salesperson for Great Western
4 Real Estate.

5 3. RESPONDENT is married to Terry Nelson, a Nevada licensed Broker,
6 License Number B.0037510.INDV, since February 20, 1996.

7 4. Terry Nelson is the Broker of record for Great Western Real Estate.

8 5. On or about May 7, 2018, the Division sent an investigation opening letter to
9 RESPONDENT, which required RESPONDENT to provide a sworn statement, not later
10 than May 21, 2018.

11 6. On or about May 21, 2018, RESPONDENT's counsel, submitted a response to
12 the Division on behalf of the RESPONDENT, but no sworn statement was received.

13 7. On or about June 27, 2018, the Division sent RESPONDENT's counsel a 233B
14 letter, via certified mail, placing RESPONDENT on notice that the Division intended to
15 commence disciplinary action against her with the Nevada Real Estate Commission for
16 violations NRS 645 and NAC 645.

17 **14070 TOURMALINE DRIVE**

18 8. On or about July 29, 2013, the seller entered into an Exclusive Right to Sell
19 Contract, which engaged Terry Nelson, RESPONDENT's broker, and wife, to list and sell
20 real property located at 14070 Tourmaline Drive, Reno, Nevada 89521 with a sales price of
21 \$105,000.00.

22 9. On Thursday, August 8, 2013, RESPONDENT presented the first Offer and
23 Acceptance Agreement to the seller in the amount of \$105,000.00, which was accepted later
24 that same day.

25 10. On August 8, 2013, RESPONDENT and RESPONDENT's broker had the
26 seller and the buyer for the first offer execute a Duties Owned by Nevada Real Estate
27 Licensee Form indicating that the seller and the buyer understood that the licensee "may,
28 in the future act for two or more parties who have interests adverse to each other."

1 11. On August 8, 2013, RESPONDENT and RESPONDENT's broker had the
2 seller and the buyer for the first offer execute a Consent to Act Form.

3 12. The \$105,000.00 Offer and Acceptance Agreement contained an Earnest
4 Money Deposit provision which specified that the buyer would issue a \$5,000.00 earnest
5 money check payable to Great Western Real Estate, to be "held uncashed until acceptance
6 and then deposited within one (1) business day of acceptance with First American Title
7 Company."

8 13. The \$105,000.00 Offer and Acceptance Agreement also contained a Short Sale
9 Addendum dated Thursday, August 8, 2013, signed by both the buyer and seller, which
10 also contained a handwritten term stating that "[e]arnest money to be deposited within (1)
11 business day of seller's acceptance of offer."

12 14. The Receipt for Deposit of the \$5,000.00 Earnest Money Check issued by the
13 first buyer on Thursday, August 8, 2013, from First American Title is dated Monday,
14 August 12, 2013, more than one (1) business day after the acceptance.

15 15. On or about November 13, 2013, Great Western Real Estate prepared
16 Addendum #3 to the Offer and Acceptance Agreement dated August 8, 2013, which was
17 signed by the buyer and the seller and increased the sales price to \$123,000.00.

18 16. On or about November 23, 2013, RESPONDENT presented another Offer and
19 Acceptance Agreement from a second buyer to the seller in the amount of \$140,000.00,
20 which was accepted by the seller that day.

21 17. On or about November 23, 2013, RESPONDENT and RESPONDENT's broker
22 had the seller and the buyers for the second offer execute a Duties Owned by Nevada Real
23 Estate Licensee Form indicating that the seller and the buyer understood that the licensee
24 "may, in the future act for two or more parties who have interests adverse to each other."

25 18. On or about November 23, 2013, RESPONDENT and RESPONDENT's broker
26 had the seller and the buyer for the second offer execute a Consent to Act Form.

27 19. The \$140,000.00 Offer and Acceptance Agreement also contained an Earnest
28 Money Deposit provision which specified that the buyer would issue a \$3,000.00 earnest

1 money check payable to Great Western Real Estate, to be "held uncashed until acceptance
2 and then deposited within one (1) business day of acceptance with First American Title
3 Company."

4 20. The Offer and Acceptance Agreement also contained a Short Sale Addendum
5 dated Saturday, November 23, 2013, signed by both the buyer and seller, which also
6 contained a handwritten term stating that "[e]arnest money to be deposited within (1)
7 business day of seller's acceptance of offer."

8 21. The Receipt for Deposit of the \$3,000.00 Earnest Money Check issued by the
9 second buyer on Saturday, November 23, 2013, from First American Title is dated
10 Wednesday, November 27, 2013, more than one (1) business day after acceptance of the
11 offer.

12 22. On or about November 26, 2013, the first buyer and the seller executed a
13 Cancellation Instructions and Addendum form to the Offer and Acceptance Agreement
14 dated August 8, 2013.

15 23. On or about December 12, 2013, RESPONDENT's broker, prepared
16 Addendum #4 to the Offer and Acceptance Agreement dated November 23, 2013, which
17 was signed by the buyer and the seller and increased the sales price to \$145,000.00.

18 24. The final settlement statement shows that RESPONDENT's broker was paid
19 100% for the commissions from the \$145,000.00 sale, for a total of \$8,700.00.

20 25. The RESPONDENT failed to make a written disclosure to either the buyer or
21 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

22 26. As part of the short sale transaction, the parties were required to sign an
23 Affidavit of "Arm's Length Transaction," which specified that "[t]he sale of the Mortgage
24 Premises is an 'arm's length' transaction, between parties who are unrelated and
25 unaffiliated by family, marriage, or commercial enterprise."

26 27. RESPONDENT engaged in a scheme with his wife and broker to control the
27 offers, limit the open market for the transaction, and ensure a double commission.

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1 2080 BLOSSOM VIEW DRIVE

2 28. On or about August 25, 2013, the sellers entered into an Exclusive Right to
3 Sell Contract, which engaged RESPONDENT's broker, and wife, to list and sell real
4 property located at 2080 Blossom View Drive, Sparks, Nevada 89434 with a sales price of
5 \$189,000.00.

6 29. On or about August 31, 2013, RESPONDENT, as the buyer's agent, and
7 RESPONDENT's wife, as the buyer's broker, presented an Offer and Acceptance
8 Agreement to seller, in the amount of \$189,000.00.

9 30. On or about September 3, 2013, RESPONDENT and RESPONDENT's broker
10 had the seller and the buyers execute a Duties Owned by Nevada Real Estate Licensee
11 Form indicating that the sellers and the buyers understood that the licensee "may, in the
12 future act for two or more parties who have interests adverse to each other."

13 31. On or about September 3, 2013, RESPONDENT and RESPONDENT's broker
14 had the sellers and the buyers execute a Consent to Act Form.

15 32. The sellers accepted the Offer and Acceptance Agreement on Tuesday,
16 September 3, 2013.

17 33. The Offer and Acceptance Agreement contained an Earnest Money Deposit
18 provision which specified that the buyer would issue a \$5,000.00 earnest money check
19 payable to Great Western Real Estate, to be "held uncashed until acceptance and then
20 deposited within one (1) business day of acceptance with First American Title Company."

21 34. The Offer and Acceptance Agreement also contained a Short Sale Addendum
22 dated August 31, 2013, signed by both the buyers and sellers, which also contained a
23 handwritten term stating that "[e]arnest money to be deposited within (1) business day of
24 seller's acceptance of offer."

25 35. The Receipt for Deposit of the \$5,000.00 Earnest Money Check from First
26 American Title is dated Friday, September 6, 2013, more than one (1) business day after
27 acceptance of the offer.

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1 36. As part of the short sale transaction, the parties were required to sign an
2 Affidavit of "Arm's Length Transaction," which specified that "the transaction is
3 characterized by a selling prices and other conditions that would prevail in an open market
4 environment and there are not hidden terms or special understandings that exist between
5 any of the parties involved in the transaction including, but not limited to the buyer, seller,
6 appraiser, broker, sales agent (including, but not limited to the listing agent and seller's
7 agent), closing agent, Lender and/or Servicer."

8 37. RESPONDENT engaged in a scheme with his wife and broker to control the
9 offers, limit the open market for the transaction, and ensure a double commission.

10 38. The final settlement statement shows that RESPONDENT's broker was paid
11 100% of the commissions from the \$189,000.00 sale, for a total of \$11,340.00.

12 39. The RESPONDENT failed to make a written disclosure to either the buyer or
13 the seller that RESPONDENT and RESPONDENT'S broker were husband and wife.

14 **2290 LINDLEY WAY**

15 40. On or about February 20, 2014, the sellers entered into an Exclusive Right to
16 Sell Contract, which engaged RESPONDENT's broker, and wife, to list and sell real
17 property located at 2290 Lindley Way, Reno, Nevada 89509 with a sales price of \$425,000.

18 41. On or about March 13, 2014, RESPONDENT, as the buyer's agent, and
19 RESPONDENT's broker, and wife, as the buyers' broker, presented an Offer and
20 Acceptance Agreement to sellers in the amount of \$375,000.00.

21 42. The sellers accepted the Offer and Acceptance Agreement on March 13, 2014.

22 43. On March 13, 2014, RESPONDENT and RESPONDENT's broker had the
23 sellers and the buyers execute a Duties Owned by Nevada Real Estate Licensee Form
24 indicating that the seller and the buyers understood that the licensee "may, in the future
25 act for two or more parities who have interests adverse to each other."

26 44. On March 13, 2014, RESPONDENT and RESPONDENT's broker had the
27 sellers and the buyers execute a Consent to Act Form.

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1 45. As part of the short sale transaction, as indicated in the NationStar Mortgage
2 short sale approval letter dated July 24, 2014, the parties were required to sign an Affidavit
3 of "Arm's Length Transaction," which was not provided with the RESPONDENT's listing
4 and sales file.

5 46. RESPONDENT engaged in a scheme with his wife and broker to control the
6 offers, limit the open market for the transaction, and ensure a double commission.

7 47. After a series of addendums to the Offer and Acceptance Agreement, the sales
8 price was finalized on Addendum # 4 at \$370,000.

9 48. The final settlement statement shows that RESPONDENT's broker was paid
10 100% of the commissions from the \$370,000.00 sale, for a total of \$22,200.00.

11 49. The RESPONDENT failed to make a written disclosure to either the buyer or
12 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

13 50. The sales price for this home was less than the listing price.

14 51. RESPONDENT engaged in a scheme with his wife and broker to control the
15 offers, limit the open market for the transaction, and ensure a double commission.

16 **7615 HALIFAX DRIVE**

17 52. On or about Saturday, January 11, 2014, the seller entered into an Exclusive
18 Right to Sell Contract, which engaged RESPONDENT's broker to list and sell real property
19 located at 7615 Halifax Drive, Reno, NV 89506 with a sales price of \$107,000.00.

20 53. On or about May 1, 2014, RESPONDENT, as the buyer's agent, and
21 RESPONDENT's broker, as the buyer's broker, presented an Offer and Acceptance
22 Agreement to sellers in the amount of \$80,000.00.

23 54. The seller accepted the Offer and Acceptance Agreement on Saturday, May 3,
24 2014.

25 55. On or about May 3, 2014, RESPONDENT and RESPONDENT's broker had
26 the seller and the buyer execute a Duties Owned by Nevada Real Estate Licensee Form
27 indicating that the seller and the buyers understood that the licensee "may, in the future
28 act for two or more parties who have interests adverse to each other."

1 56. On or about May 3, 2014, RESPONDENT and RESPONDENT's broker had
2 the seller and the buyer execute a Consent to Act Form.

3 57. After a series of addendums to the Offer and Acceptance Agreement, the sales
4 price was finalized on Addendum # 3 at \$88,350.

5 58. The final settlement statement shows that RESPONDENT's broker was paid
6 100% of the commissions from the \$88,350.00 sale, for a total of \$5,301.00.

7 59. The RESPONDENT failed to make a written disclosure to either the buyer or
8 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

9 60. The sales price for this home was less than the listing price.

10 61. RESPONDENT engaged in a scheme to control the offers, limit the open
11 market for the transaction, and ensure a double commission.

12 **7615 ROLLING CLOUDS DRIVE**

13 62. On or about June 1, 2015, the sellers entered into an Exclusive Right to Sell
14 Contract, which engaged RESPONDENT's broker to list and sell real property located at
15 7615 Rolling Clouds Drive, Reno, Nevada 89506 with a sales price of \$220,000.00.

16 63. On or about Wednesday, June 24, 2015, RESPONDENT, as the buyer's agent,
17 and RESPONDENT, as the buyer's broker, presented an Offer and Acceptance Agreement
18 to sellers in the amount of \$205,000.00.

19 64. The seller accepted the Offer and Acceptance Agreement on Wednesday, June
20 24, 2015.

21 65. The Offer and Acceptance Agreement contained an Earnest Money Deposit
22 provision which specified that the buyer would issue a \$500.00 earnest money check
23 payable to First American Title Company, to be "held uncashed until acceptance and then
24 deposited within one (1) business day of acceptance with First American Title Company."

25 66. The Offer and Acceptance Agreement also contained a Short Sale Addendum
26 dated Wednesday, June 24, 2015, signed by both the buyer and seller, which also contained
27 a handwritten term stating that "[e]arnest money to be deposited within (1) business day
28 of seller's acceptance of offer."

1 67. The Receipt for Deposit of the \$500.00 Earnest Money Check from First
2 American Title is dated Friday, July 10, 2015, more than one (1) business day after
3 acceptance of the offer.

4 68. On or about June 23, 2015, RESPONDENT had the buyer execute a Duties
5 Owned by Nevada Real Estate Licensee Form indicating that the buyer understood that
6 the licensee "may, in the future act for two or more parties who have interests adverse to
7 each other."

8 69. On or about June 24, 2015, RESPONDENT and RESPONDENT's broker had
9 the sellers and the buyer execute a Consent to Act Form.

10 70. After a series of addendums to the Offer and Acceptance Agreement, the sales
11 price was finalized on Addendum # 4 at \$200,000.00.

12 71. The RESPONDENT failed to make a written disclosure to either the buyer or
13 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

14 72. The final settlement statement shows that RESPONDENT's broker was paid
15 100% of the commissions from the \$200,000.00 sale, for a total of \$12,000.00.

16 73. The sales price for this home was less than the listing price.

17 74. RESPONDENT engaged in a scheme with his wife and broker to control the
18 offers, limit the open market for the transaction, and ensure a double commission.

19 **439 L STREET, SPARKS, NEVADA 89431**

20 75. On or about Wednesday, September 30, 2015, the seller entered into an
21 Exclusive Right to Sell Contract, which engaged RESPONDENT's broker to list and sell
22 real property located at 439 L Street, Sparks, Nevada 89431 with a sales price of
23 \$149,000.00.

24 76. On or about Wednesday, October 14, 2015, RESPONDENT, as the buyer's
25 agent, and RESPONDENT's broker, as the buyer's broker, presented an Offer and
26 Acceptance Agreement to sellers in the amount of \$130,000.00.

27 77. The seller accepted the Offer and Acceptance Agreement on Wednesday,
28 October 14, 2015.

1 78. On or about October 14, 2015, RESPONDENT had the buyer execute a Duties
2 Owned by Nevada Real Estate Licensee Form indicating that the buyer understood that
3 the licensee "may, in the future act for two or more parities who have interests adverse to
4 each other."

5 79. On or about October 14, 2015, RESPONDENT and RESPONDENT's broker
6 had the seller and the buyer execute a Consent to Act Form.

7 80. After a series of addendums to the Offer and Acceptance Agreement, the sales
8 price was finalized on Addendum # 3 at \$145,000.00.

9 81. The RESPONDENT failed to make a written disclosure to either the buyer or
10 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

11 82. The Offer and Acceptance Agreement contained an Earnest Money Deposit
12 provision which specified that the buyer would issue a \$500.00 earnest money check
13 payable to First American Title Company, to be "held uncashed until acceptance and then
14 deposited within one (1) business day of acceptance with First American Title Company."

15 83. The Offer and Acceptance Agreement also contained a Short Sale Addendum
16 dated Wednesday, October 14, 2015, signed by both the buyer and seller, which also
17 contained a handwritten term stating that "[e]arnest money to be deposited within (1)
18 business day of seller's acceptance of offer."

19 84. The Receipt for Deposit of the \$500.00 Earnest Money Check from First
20 American Title is dated Friday, October 23, 2015, more than one (1) business day after
21 acceptance of the offer.

22 85. The final settlement statement shows that RESPONDENT's broker was paid
23 100% of the commissions from the \$145,000.00 sale, for a total of \$8,700.00.

24 86. The sales price for this home was less than the listing price.

25 87. RESPONDENT engaged in a scheme with his wife and broker to control the
26 offers, limit the open market for the transaction, and ensure a double commission.

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1 **11560 TUPELO STREET**

2 88. On or about Tuesday, February 9, 2016, the seller entered into an Exclusive
3 Right to Sell Contract, which engaged RESPONDENT's broker to list and sell real property
4 located at 11560 Tupelo Street, Reno, Nevada 89506 with a sales price of \$150,000.00.

5 89. On or about Wednesday, February 24, 2016, RESPONDENT, as the buyer's
6 agent, and RESPONDENT's broker, as the buyer's broker, presented an Offer and
7 Acceptance Agreement to seller in the amount of \$150,000.00.

8 90. On or about February 24, 2016, RESPONDENT had the buyer execute a
9 Duties Owned by Nevada Real Estate Licensee Form indicating that the buyer understood
10 that the licensee "may, in the future act for two or more parties who have interests adverse
11 to each other."

12 91. On or about February 25, 2016, RESPONDENT and RESPONDENT's broker
13 had the seller and the buyer execute a Consent to Act Form.

14 92. The seller accepted the Offer and Acceptance Agreement on Thursday,
15 February 25, 2016.

16 93. The RESPONDENT failed to make a written disclosure to either the buyer or
17 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

18 94. The Offer and Acceptance Agreement contained an Earnest Money Deposit
19 provision which specified that the buyer would issue a \$500.00 earnest money check
20 payable to First American Title Company, to be "held uncashed until acceptance and then
21 deposited within one (1) business day of acceptance with First American Title Company."

22 95. The Offer and Acceptance Agreement also contained a Short Sale Addendum
23 dated Thursday, February 25, 2016, signed by both the buyer and seller, which also
24 contained a handwritten term stating that "[e]arnest money to be deposited within (1)
25 business day of seller's acceptance of offer."

26 96. The Receipt for Deposit of the \$500.00 Earnest Money Check from First
27 American Title is dated Thursday, March 3, 2016, more than one (1) business day after
28 acceptance of the offer.

1 97. The final settlement statement shows that RESPONDENT's broker was paid
2 100% of the commissions from the \$150,000.00 sale, for a total of \$9,000.00.

3 98. RESPONDENT engaged in a scheme with his wife and broker to control the
4 offers, limit the open market for the transaction, and ensure a double commission.

5 **3525 PARQUE VERDE LANE**

6 99. On or about, Thursday, April 14, 2016, the sellers entered into an Exclusive
7 Right to Sell Contract, which engaged RESPONDENT's broker to list and sell real property
8 located at 3525 Parque Verde Lane, Reno, NV 89502 with a sales price of \$225,000.00.

9 100. On or about Sunday, April 24, 2016, RESPONDENT, as the buyer's agent,
10 and RESPONDENT's broker, as the buyer's broker, presented an Offer and Acceptance
11 Agreement to sellers in the amount of \$215,000.00.

12 101. The seller accepted the Offer and Acceptance Agreement on Saturday, April
13 24, 2016, at approximately 4:00 p.m.

14 102. On or about April 24, 2016, RESPONDENT had the buyer and sellers execute
15 a Duties Owned by Nevada Real Estate Licensee Form indicating that the buyer
16 understood that the licensee "may, in the future act for two or more parties who have
17 interests adverse to each other."

18 103. On or about April 24, 2016, RESPONDENT and RESPONDENT's broker had
19 the sellers and the buyer execute a Consent to Act Form.

20 104. The RESPONDENT failed to make a written disclosure to either the buyer or
21 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

22 105. The Offer and Acceptance Agreement contained an Earnest Money Deposit
23 provision which specified that the buyer would issue a \$100.00 earnest money check
24 payable to First American Title Company, to be "held uncashed until acceptance and then
25 deposited within one (1) business day of acceptance with First American Title Company."

26 106. The Offer and Acceptance Agreement also contained a Short Sale Addendum
27 dated Sunday, April 24, 2016, signed by both the buyer and seller, which also contained a

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1 handwritten term stating that “[e]arnest money to be deposited within (1) business day of
2 seller’s acceptance of offer.”

3 107. The Receipt for Deposit of the \$100.00 Earnest Money Check from First
4 American Title is dated Tuesday, April 26, 2016, more than one (1) business day after
5 acceptance of the offer.

6 108. The final settlement statement shows that RESPONDENT’s broker was paid
7 100% of the commissions from the \$215,000.00 sale, for a total of \$12,900.00.

8 109. The sales price for this home was less than the listing price.

9 110. RESPONDENT engaged in a scheme with his wife and broker to control the
10 offers, limit the open market for the transaction, and ensure a double commission.

11 **2261 MATTEONI DRIVE (DECEMBER 30, 2016, CLOSING)**

12 111. On or about Wednesday, April 6, 2016, the seller entered into an Exclusive
13 Right to Sell Contract, which engaged RESPONDENT’s broker to list and sell real property
14 located at 2261 Matteoni Drive, Sparks, Nevada 89434 with a sales price of \$160,000.00.

15 112. On or about Monday, May 2, 2016, RESPONDENT, as the buyer’s agent, and
16 RESPONDENT’s broker, as the buyer’s broker, presented an Offer and Acceptance
17 Agreement to sellers in the amount of \$160,000.00.

18 113. The seller accepted the Offer and Acceptance Agreement on Tuesday, May 3,
19 2016.

20 114. On or about May 2, 2016, RESPONDENT had the buyer execute a Duties
21 Owned by Nevada Real Estate Licensee Form indicating that the buyer understood that
22 the licensee “may, in the future act for two or more parties who have interests adverse to
23 each other.”

24 115. On or about May 3, 2016, RESPONDENT and RESPONDENT’s broker had
25 the seller and the buyer execute a Consent to Act Form.

26 116. The RESPONDENT failed to make a written disclosure to either the buyer or
27 the seller that RESPONDENT and RESPONDENT’s broker were husband and wife.

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1 117. The final settlement statement shows that RESPONDENT was paid 100 % of
2 the commissions from the \$160,000.00 sale, for a total of \$9,600.00.

3 118. RESPONDENT engaged in a scheme with his wife and broker to control the
4 offers, limit the open market for the transaction, and ensure a double commission.

5 **751 TAHOE BOULEVARD #5**

6 119. On or about December 24, 2016, the sellers entered into an Exclusive Right to
7 Sell Contract, which engaged RESPONDENT to list and sell real property located at 751
8 Tahoe Boulevard, Unit 5, Incline Village, NV 89451 with a sales price of \$155,000.00.

9 120. On or about Thursday, January 26, 2017, RESPONDENT, as the buyer's
10 agent, and RESPONDENT's broker, as the buyers' broker, presented an Offer and
11 Acceptance Agreement to sellers in the amount of \$150,000.00.

12 121. The seller accepted the Offer and Acceptance Agreement on Thursday,
13 January 26, 2017.

14 122. On or about January 26, 2017, RESPONDENT had the buyers execute a
15 Duties Owned by Nevada Real Estate Licensee Form indicating that the buyers understood
16 that the licensee "may, in the future act for two or more parties who have interests adverse
17 to each other."

18 123. On or about January 26, 2017, RESPONDENT and RESPONDENT's broker
19 had the sellers and the buyers execute a Consent to Act Form.

20 124. The RESPONDENT failed to make a written disclosure to either the buyer or
21 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

22 125. The Offer and Acceptance Agreement contained an Earnest Money Deposit
23 provision which specified that the buyer would issue a \$1,000.00 earnest money check
24 payable to First American Title Company, to be "held uncashed until acceptance and then
25 deposited within one (1) business day of acceptance with First American Title Company."

26 126. The Offer and Acceptance Agreement also contained a Short Sale Addendum
27 dated Thursday, January 26, 2017, signed by both the buyer and seller, which also

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1 contained a handwritten term stating that “[e]arnest money to be deposited within (1)
2 business day of seller’s acceptance of offer.”

3 127. The Receipt for Deposit of the \$1,000.00 Earnest Money Check from First
4 American Title is dated Friday, February 3, 2017, more than one (1) business day after
5 acceptance of the offer.

6 128. Arvest Central Mortgage Co. included a Short Sale Affidavit dated June 30,
7 2017, requiring all parties to the transaction, including the seller’s agent and buyers’ agent
8 to affirm “that this is an ‘arm’s length’ transaction, between parties who are unrelated and
9 unaffiliated by family or marriage, or commercial enterprise[.]”

10 129. RESPONDENT failed to include a signed copy of the Short Sale Affidavit in
11 his response to the Division.

12 130. RESPONDENT engaged in a scheme with his wife and broker to control the
13 offers, limit the open market for the transaction, and ensure a double commission.

14 131. After a series of addendums to the Offer and Acceptance Agreement, the sales
15 price was finalized on Addendum # 4 at \$160,000.

16 132. The final settlement statement shows that RESPONDENT’s broker was paid
17 100% of the commission from the \$160,000.00 sale, for a total of \$9,600.00.

18 **1920 TRAINER WAY**

19 133. On or about Tuesday, January 17, 2017, the sellers entered into an Exclusive
20 Right to Sell Contract, which engaged RESPONDENT’s broker to list and sell real property
21 located at 1920 Trainer Way, Reno, Nevada 89512 with a sales price of \$70,000.00.

22 134. On or about Tuesday, February 28, 2017, RESPONDENT, as the buyer’s
23 agent, and RESPONDENT’s broker, as the buyer’s broker, presented an Offer and
24 Acceptance Agreement to sellers in the amount of \$40,000.00.

25 135. The seller accepted the Offer and Acceptance Agreement on Wednesday,
26 March 1, 2017.

27 136. On or about February 28, 2017, RESPONDENT had the buyer execute a
28 Duties Owned by Nevada Real Estate Licensee Form indicating that the buyer understood

1 that the licensee “may, in the future act for two or more parties who have interests adverse
2 to each other.”

3 137. On or about February 28, 2017, RESPONDENT and RESPONDENT’s broker
4 had the seller and the buyer execute a Consent to Act Form.

5 138. The RESPONDENT failed to make a written disclosure to either the buyer or
6 the seller that RESPONDENT and RESPONDENT’s broker were husband and wife.

7 139. The Offer and Acceptance Agreement contained an Earnest Money Deposit
8 provision which specified that the buyer would issue a \$100.00 earnest money check
9 payable to First American Title Company, to be “held uncashed until acceptance and then
10 deposited within one (1) business day of acceptance with First American Title Company.”

11 140. The Offer and Acceptance Agreement also contained a Short Sale Addendum
12 dated Wednesday, March 1, 2017, signed by both the buyer and seller, which also contained
13 a handwritten term stating that “[e]arnest money to be deposited within (1) business day
14 of seller’s acceptance of offer.”

15 141. The Receipt for Deposit of the \$100.00 Earnest Money Check from First
16 American Title is dated Monday, March 6, 2017, more than one (1) business day after
17 acceptance of the offer.

18 142. After a series of addendums to the Offer and Acceptance Agreement, the sales
19 price was finalized on Addendum # 3 at \$66,500.

20 143. The final settlement statement shows that RESPONDENT’s broker was paid
21 100% of the commission from the \$66,500.00 sale, for a total of \$3,900.00.

22 144. The sales price for this home was less than the listing price.

23 145. RESPONDENT engaged in a scheme with his wife and broker to control the
24 offers, limit the open market for the transaction, and ensure a double commission.

25 **3525 W. PLUMB LANE**

26 146. On or about Thursday, May 11, 2017, the sellers entered into an Exclusive
27 Right to Sell Contract, which engaged RESPONDENT’s broker to list and sell real property
28 located at 3525 W. Plumb Lane, Reno, Nevada 89509 with a sales price of \$440,000.00.

1 147. On or about Sunday, May 21, 2017, RESPONDENT, as the buyer's agent, and
2 RESPONDENT's broker, as the buyer's broker, presented an Offer and Acceptance
3 Agreement to sellers in the amount of \$440,000.00.

4 148. The seller accepted the Offer and Acceptance Agreement on Tuesday, May 21,
5 2017.

6 149. On or about May 21, 2017, RESPONDENT had the buyer execute a Duties
7 Owned by Nevada Real Estate Licensee Form indicating that the buyer understood that
8 the licensee "may, in the future act for two or more parties who have interests adverse to
9 each other."

10 150. On or about May 21, 2017, RESPONDENT and RESPONDENT's broker had
11 the sellers and the buyer execute a Consent to Act Form.

12 151. The RESPONDENT failed to make a written disclosure to either the buyer or
13 the seller that RESPONDENT and RESPONDENT's broker were husband and wife.

14 152. The Offer and Acceptance Agreement contained an Earnest Money Deposit
15 provision which specified that the buyer would issue a \$1,000.00 earnest money check
16 payable to First American Title Company, to be "held uncashed until acceptance and then
17 deposited within one (1) business day of acceptance with First American Title Company."

18 153. The Offer and Acceptance Agreement also contained a Short Sale Addendum
19 dated Sunday, May 21, 2017, signed by both the buyer and seller, which also contained a
20 handwritten term stating that "[e]arnest money to be deposited within (1) business day of
21 seller's acceptance of offer."

22 154. The Receipt for Deposit of the \$1,000.00 Earnest Money Check from First
23 American Title is dated Wednesday, May 31, 2017, more than one (1) business day after
24 acceptance of the offer.

25 155. Wells Fargo, the seller's mortgage servicer, sent a letter to seller dated July
26 10, 2017, which was contained in RESPONDENT's listing and sales file, identifying that
27 "the sale must be an "arm's length transaction," which means "the parties to the

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1 transaction (buyer, seller, and their respective agents) cannot have a close personal or
2 business relationship.”

3 156. The July 10, 2017, Wells Fargo Letter also stated that “[a]ll parties to the
4 transaction must agree to the conditions of the short sale affidavit[;]” however, the
5 RESPONDENT failed to include a signed copy of the short sale affidavit in his listing and
6 sales file that was provided to the Division.

7 157. After a series of addendums to the Offer and Acceptance Agreement, the sales
8 price was finalized on Addendum # 3 at \$460,000.00.

9 158. The final settlement statement shows that RESPONDENT’s broker was paid
10 100% of the commissions from the \$460,000.00 sale, for a total of \$27,600.00.

11 159. RESPONDENT engaged in a scheme with his wife and broker to control the
12 offers, limit the open market for the transaction, and ensure a double commission.

13 **7280 GEMSTONE DRIVE**

14 160. On or about Friday, June 9, 2017, the sellers entered into an Exclusive Right
15 to Sell Contract, which engaged RESPONDENT’s broker to list and sell real property
16 located at 7280 Gemstone Drive, Reno, Nevada 89511, with a sales price of \$240,000.00.

17 161. On or about Monday, July 31, 2017, RESPONDENT, as the buyer’s agent, and
18 RESPONDENT, as the buyer’s broker, presented an Offer and Acceptance Agreement to
19 sellers in the amount of \$225,000.00.

20 162. The seller accepted the Offer and Acceptance Agreement on August 1, 2017.

21 163. On or about July 31, 2017, RESPONDENT had the buyer execute a Duties
22 Owned by Nevada Real Estate Licensee Form indicating that the buyer understood that
23 the licensee “may, in the future act for two or more parities who have interests adverse to
24 each other.”

25 164. On or about July 31, 2017, RESPONDENT and RESPONDENT’s broker had
26 the seller and the buyer execute a Consent to Act Form.

27 165. The RESPONDENT failed to make a written disclosure to either the buyer or
28 the seller that RESPONDENT and RESPONDENT’s broker were husband and wife.

1 166. The Offer and Acceptance Agreement contained an Earnest Money Deposit
2 provision which specified that the buyer would issue a \$500.00 earnest money check
3 payable to First American Title Company, to be "held uncashed until acceptance and then
4 deposited within one (1) business day of acceptance with First American Title Company."

5 167. The Offer and Acceptance Agreement also contained a Short Sale Addendum
6 dated Tuesday, August 1, 2017, signed by both the buyer and seller, which also contained
7 a handwritten term stating that "[e]arnest money to be deposited within (1) business day
8 of seller's acceptance of offer."

9 168. The First American Title Final Settlement Statement identifies that the
10 \$500.00 Earnest Money Check was deposited on Friday, October 6, 2017, more than one (1)
11 business day after acceptance of the offer.

12 169. The final settlement statement shows that RESPONDENT's broker was paid
13 100% of the \$225,000.00 sale, for a total of \$13,500.00.

14 170. The sales price for this home was less than the listing price.

15 171. RESPONDENT engaged in a scheme with his wife and broker to control the
16 offers, limit the open market for the transaction, and ensure a double commission.

17 CONCLUSIONS OF LAW

18 The Commission, based upon the preponderance of the evidence, makes the following
19 legal conclusions:

20 1. RESPONDENT violated NRS 645.633(1)(h) and/or NAC 645.605(6), on each of
21 the above 13 listings, engaging in a scheme with his wife and broker to control the offers,
22 limit the open market for the short-sale transaction, and ensure a double commission;
23 thereby not representing his clients with absolute fidelity.

24 2. RESPONDENT violated NRS 645.633(1)(b) in accordance with NRS
25 645.252(1)(a) and/or NRS 645.254(5) and/or NAC 645.605(4)(b) on each of the above 13
26 listings, by failing to disclose, in writing, the material and relevant fact of RESPONDENT's
27 relationship with his wife, acting as the buyer and seller's broker.

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This Order shall become effective on the 25th day of July, 2021.
DATED this 25th day of June, 2021.

REAL ESTATE COMMISSION
STATE OF NEVADA

By: 
President, Nevada Real Estate Commission