

Robert P. Fahrendorff
Thomas E. Vioria*
R. Shawn Oliphant
Raymond E. Oster
Nathan J. Aman

Patrick R. Millsap
James J. Barnes
Stephanie K. Funk
†Of Counsel
*Also Admitted in CA

FAHRENDORF,
VILORIA,
OLIPHANT
& OSTER L.L.P.

RECEIVED

JUN 23 2014

DEPT OF BUSINESS & INDUSTRY
Real Estate Division - LV

ATTORNEYS
AND
COUNSELORS
AT LAW

Office: 775-348-9999
Fax: 775-348-0540
www.renonvlaw.com



June 19, 2014

Via Certified Mail

Return Receipt Requested: 7005 2570 0001 8562 8596

Rebecca Hardin
State of Nevada Real Estate Division
2501 East Sahara Avenue, Suite 303
Las Vegas, NV 89104

Re: **NRED v. KAREN GREATHOUSE**
REN 13-06-02-034
REN 10-03-01-050
REN 12-02-04-039

Dear Ms. Hardin:

Enclosed herewith please find the original and one copy of the *Answer to Complaint* in each of the above-referenced case numbers. It is respectfully requested that a file-stamped copy of each Answer be returned to our office in the self-addressed stamped envelope also enclosed herewith.

Thank you for your assistance.

Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

FAHRENDORF, VILORIA,
OLIPHANT & OSTER L.L.P.

Danielle L. Kent, Paralegal to
R. Shawn Oliphant, Esq.

/dlk
Enclosures as stated.

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Put in mail 07/14

ORIGINAL

FILED

JUN 23 2014

REAL ESTATE COMMISSION
BY *Robert [Signature]*

1 R. Shawn Oliphant, Esq.
Nevada Bar No. 6441
2 FAHRENDORF, VILORIA,
OLIPHANT & OSTER L.L.P.
3 P.O. Box 3677
Reno, Nevada 89505
4 (775) 348-9999
Attorneys for Karen Greathouse
5

6 BEFORE THE REAL ESTATE COMMISSION

7 STATE OF NEVADA

8 GAIL J. ANDERSON, Administrator, REAL
ESTATE DIVISION, DEPARTMENT OF
9 BUSINESS & INDUSTRY, STATE OF
NEVADA,
10

Case No: REN 10-03-01-050

ANSWER TO COMPLAINT

11 Petitioner,

vs.

12 KAREN GREATHOUSE

13 Respondent.
14
15

16 COMES NOW Respondent, KAREN GREATHOUSE ("Greathouse"), by and through
17 her counsel of record, Fahrendorf, Viloría, Oliphant & Oster L.L.P. and in answer to Petitioner's
18 Complaint hereby admits, denies, and alleges as follows:

JURISDICTION

19 In answer to the Jurisdiction section of the Complaint, Respondent admits that she is a
20 licensed real estate broker and property manager by the Division. The remaining allegations
21 contained in the Jurisdiction section state legal conclusions and do not require a response from this
22 Respondent; however, to the extent a response is required by rule, Respondent denies the allegations
23 that are inconsistent with the referenced statutes and codes.
24

FACTUAL ALLEGATION

25
26 1. In answer to paragraph 1 of the Complaint, Respondent admits the allegations
27 contained therein.
28

ATTORNEYS AND
COUNSELORS AT LAW
Office: (775) 348-9999 Fax: (775) 348-0540
P. O. BOX 3677 ~ RENO, NEVADA 89505
327 CALIFORNIA AVENUE ~ RENO, NEVADA 89509
FAHRENDORF,
VILORIA,
OLIPHANT
& OSTER L.L.P.

1 2. In answer to paragraph 2 of the Complaint, Respondent admits the allegations
2 thereof and affirmatively asserts that the property was acquired by Bank of America in a foreclosure
3 role after the Owner, John Cavanaugh, filed bankruptcy. LPS Asset Management Solutions, Inc.
4 was the reviewing agent for Bank of America and LPS determined the price of \$371,250, which
5 could not be changed by Respondent without written direction from LPS.

6 3. In answer to paragraph 3 of the Complaint, Respondent admits the allegations
7 contained therein.

8 4. In answer to paragraph 4 of the Complaint, Respondent admits the allegations
9 contained therein and affirmatively asserts that two additional offers were made by the previous
10 owner's sister and brother-in-law (Barbara Cavanaugh Thornton and Bill Thornton "Thornton").
11 The first offer by Thornton was for \$400,000 and was rejected by LPS. *See Exhibit 1* attached
12 hereto. The second Thornton offer was for \$500,000 and was also rejected by LPS. *See Exhibit 2*
13 attached hereto.

14 5. In answer to paragraph 5 of the Complaint, Respondent denies the allegations
15 thereof, but admits she represented Tracy Lenocker in the offer and acceptance transaction

16 6. In answer to paragraph 6 of the Complaint, Respondent admits the allegations
17 contained therein.

18 7. In answer to paragraph 7 of the Complaint, Respondent is without sufficient
19 knowledge or information with which to form a belief as to the truth of all of the allegations
20 contained therein, and upon such basis deny said allegations.

21 8. In answer to paragraph 8 of the Complaint, Respondent is without sufficient
22 knowledge or information with which to form a belief as to the truth of all of the allegations
23 contained therein, and upon such basis deny said allegations.

24 9. In answer to paragraph 9 of the Complaint, Respondent is without sufficient
25 knowledge or information with which to form a belief as to the truth of all of the allegations
26 contained therein, and upon such basis deny said allegations.

27 10. In answer to paragraph 10 of the Complaint, Respondent admits the allegations
28 contained therein and affirmatively alleges that no offers were received on the property for the

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1 listing price of \$699,000 and Bill Thornton was the only party to request a showing of the home. 7
2 Figures was unable to sell the home for \$699,000 and still owns the home as of the date of this
3 Answer.

4 11. In answer to paragraph 11 of the Complaint, Respondent admits the allegations
5 contained therein.

6 12. In answer to paragraph 12 of the Complaint, Respondent admits the allegations
7 contained therein and affirmatively alleges that Respondent's client, LPS Asset Management
8 Solutions, Inc., was aware of Respondent's personal and business relationship with Dave
9 Provenzano.

10 VIOLATIONS

11 13. In answer to Paragraph 13, Answering Respondent denies the allegations contained
12 therein.

13 DISCIPLINE AUTHORIZED

14 14. The allegations contained in Paragraph 14 state legal conclusions and do not require
15 a response from this Answering Respondent; however, to the extent a response is required by rule,
16 Answering Respondent is without sufficient knowledge or information with which to form a belief
17 as to the trust of the allegations contained therein, and upon such basis denies said allegations.

18 15. The allegations contained in Paragraph 15 state legal conclusions and do not require
19 a response from this Answering Respondent; however, to the extent a response is required by rule,
20 Answering Respondent is without sufficient knowledge or information with which to form a belief
21 as to the trust of the allegations contained therein, and upon such basis denies said allegations.

22 16. The allegations contained in Paragraph 16 request relief and do not require a
23 response from this Answering Respondent; however, to the extent a response is required by rule,
24 Answering Respondent denies the allegations contained therein.

25 AFFIRMATIVE DEFENSES

26 1. The Complaint fails to state a claim against Answering Respondent upon which relief
27 can be granted.

**FAHRENDORF,
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OLIPHANT
& OSTER L.L.P.**
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COUNSELORS AT LAW
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P. O. BOX 3677 ~ RENO, NEVADA 89505
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1 2. The Respondent is not guilty of violating any Order of the Commission, any
2 agreement with the Division, or any provision of NRS 645, 116, 118, 118A, 118B, 645A, 645C or
3 any regulation adopted pursuant thereto.

4 3. The Respondent is not guilty of gross negligence or incompetence in performing any
5 act for which she holds a license.

6 4. The Division has refused to produce all communications, reports, affidavits or
7 depositions in its possession relevant to the Complaint and its Complaint should be barred as a
8 result thereof.

9 5. Respondent has no interest in or any ownership of DP Real Estate Investment, Inc.
10 and Dave Provenzano is not a member of Respondent's immediate family requiring disclosure under
11 NAC 645.640.

12 6. The Respondent is not guilty of any conduct which constitutes deceitful, fraudulent,
13 or dishonest dealing.

14 7. The Respondent has not breached her obligation of absolute fidelity or obligation to
15 deal fairly with all parties to the transaction.

16 8. The Respondent has no interest in 7 Figures LLC and there is no relationship
17 between David Provenzano and 7 Figures LLC which Respondent is aware of.

18 9. Respondent is not aware of any involvement of Leadsorce Marketing Company
19 with the property or 7 Figures LLC.

20 10. Respondent was not aware that David Provenzano was the Resident Agent for
21 Leadsorce Marketing.

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574270

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OLIPHANT
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COUNSELORS AT LAW
Office: (775) 348-9999 Fax: (775) 348-0540
P. O. BOX 3677 ~ RENO, NEVADA 89505
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11. That even had Respondent been aware that David Provenzano was the Resident Agent for Leadsources Marketing, this would not be a material fact requiring disclosure.

DATED this 19 day of June, 2014.

FAHRENDORF, VILORIA,
OLIPHANT & OSTER L.L.P.

By: 
R. Shawn Oliphant, Esq.
Nevada Bar No. 6441
P. O. BOX 3677
RENO, NV 89505
(775) 348-9999
Attorneys for Karen Greathouse

FAHRENDORF,
VILORIA,
OLIPHANT
& OSTER L.L.P.

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COUNSELORS AT LAW
Office: (775) 348-9999 Fax: (775) 348-0540
P. O. Box 3677 ~ RENO, NEVADA 89505
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CERTIFICATE OF SERVICE

I certify that I am an employee of the law firm of FAHRENDORF, VILORIA,
OLIPHANT & OSTER L.L.P., and that on the date shown below, I caused service of the
ORIGINAL of the attached:

ANSWER TO COMPLAINT

to be completed by certified mail (Return Receipt Requested 7005 2570 0001 8562 8596) addressed
to:

Rebecca Hardin, Commission Coordinator
Nevada Real Estate Division
2501 East Sahara Avenue, Suite 303
Las Vegas, NV 89104

Additionally, I caused service of a copy of the ANSWER TO COMPLAINT to be
completed by facsimile as follows:

Rebecca Hardin, Commission Coordinator
Nevada Real Estate Division
Fax: (702) 486-4067

DATED this 19th day of June, 2014.

Danielle Kent
Danielle Kent

EXHIBIT "1"

EXHIBIT "1"

My Offer Asset Number WMJ277902
2550 E LAKE RIDGE SHORES
RENO, NV 89509

Buyer Name: William Thornton
Master Offer #: MO-348731

Rejected

Electronic Signature - I hereby certify that I will notify the Buyer's Broker/Agent that this offer has been rejected:

Offer Information

List Price: \$371,250.00

Offer Date:	8/28/2009 4:58:53 PM
Offer Type:	Original Offer
Offer Expiration Date:	08/20/2009
Purchase Price:	\$400,000.00
Finance Type:	Cash
Pre-Approved:	No
Earnest Money Deposit Initial:	\$10,000.00
Earnest Money Deposit Additional:	
Earnest Money Deposit Days:	
Earnest Money Deposit Additional Days:	
Earnest Money Check Type:	
Projected Closing Date:	08/28/2009
Per Diem:	\$0.00
Amount Financed:	
Percent Financed:	
Financing Contingency:	No
Interest Rate Limit:	
Days In Effect:	
Buyer Closing Cost Paid By Seller:	\$0.00
Buyer Requested Repairs Paid By Seller:	\$0.00
Inspection Completed Date:	
Seller Home Warranty:	\$0.00
Termite Repairs:	
Termite Repairs (Section):	
Buyer Accepts Termite Report With No Repair and/or Treatment:	Yes
Total Commission Percent:	6.00
Total Commission Amount:	\$24,000.00
List Commission Amount:	\$7,000.00
Sell Commission Amount:	\$12,000.00
Referral Fee:	\$5,000.00
Title Company:	
Escrow - Closing Company:	
Pest Inspection Closing:	
Standard Terms and Clauses Initialed:	No
Liquidated Damages:	No

'As Is' Clauses Agreed To:

No

Buyer Contingencies: offer received post contract

Barbara and William
Thornton, the sister and
brother-in-law of the owner
that was foreclosed on, John
Cavanaugh.

Additional Terms:



ASSET MANAGEMENT
SOLUTIONS

DATE: Friday August 28, 2009
TO: Dickson Realty
Phone: 775-677-4663
FAX:
RE: Offer Rejected for Asset Number WM
2550 E LAKE RIDGE SHORES
RENO, NV 89509

Dear Karen Greathouse,

The offer for this asset has been rejected. Please go to supplier LPS-AM.com, click on the Login button on the left hand navigation and enter your login information. Within the Broker Message Center, click on Offer Management System (OMS) to acknowledge receipt of this notice.

Sincerely,

EXHIBIT "2"

EXHIBIT "2"

My Offer Asset Number WMJ277902
2550 E LAKE RIDGE SHORES
RENO, NV 89509

Buyer Name:william c and Barbara c Thornton
Master Offer #:MO-348742

Rejected

Electronic Signature - I hereby certify that I will notify the Buyer's Broker/Agent that this offer has been rejected:

Offer Information

List Price: \$371,250.00

Offer Date:	8/28/2009 5:24:29 PM
Offer Type:	Original Offer
Offer Expiration Date:	08/24/2009
Purchase Price:	\$500,000.00
Finance Type:	Cash
Pre-Approved:	
Earnest Money Deposit Initial:	\$10,000.00
Earnest Money Deposit Additional:	
Earnest Money Deposit Days:	
Earnest Money Deposit Additional Days:	
Earnest Money Check Type:	
Projected Closing Date:	08/28/2009
Per Diem:	
Amount Financed:	
Percent Financed:	
Financing Contingency:	No
Interest Rate Limit:	
Days In Effect:	
Buyer Closing Cost Paid By Seller:	
Buyer Requested Repairs Paid By Seller:	
Inspection Completed Date:	
Seller Home Warranty:	
Termite Repairs:	
Termite Repairs (Section):	
Buyer Accepts Termite Report With No Repair and/or Treatment:	No
Total Commission Percent:	6.00
Total Commission Amount:	\$30,000.00
List Commission Amount:	\$8,750.00
Sell Commission Amount:	\$15,000.00
Referral Fee:	\$6,250.00
Title Company:	
Escrow - Closing Company:	
Pest Inspection Closing:	
Standard Terms and Clauses Initialed:	No
Liquidated Damages:	No

'As Is' Clauses Agreed To:

Yes

Buyer Contingencies:

buyer increasing offer
received on 8/20/2009

Additional Terms:

Barbara and William
Thornton, the sister and
brother-in-law of the owner
that was foreclosed on, John
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