

FILED

MAY 23 2014

BEFORE THE REAL ESTATE COMMISSION
STATE OF NEVADA

REAL ESTATE COMMISSION
Rebecca Anderson

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

Case No. REN 12-02-04-039

Petitioner,

vs.

COMPLAINT AND NOTICE OF HEARING

KAREN GREATHOUSE,

Respondent.

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("DIVISION"), by and through its counsel, Catherine Cortez Masto, Attorney General of the State of Nevada, and Kimberly A. Arguello, Senior Deputy Attorney General, hereby notifies RESPONDENT KAREN GREATHOUSE ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("COMMISSION") which hearing will be held pursuant to Chapters 233B and Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT KAREN GREATHOUSE was at all relevant times mentioned in this Complaint licensed as a salesperson by the Division under license number S.0058818, and licensed as a real estate broker under license number B.1000788.CORP, and is therefore subject to the jurisdiction of the Division and the provisions of NRS chapter 645 and NAC chapter 645.

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FACTUAL ALLEGATIONS

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2 1. RESPONDENT, at the relevant times mentioned in this Complaint, was licensed as
3 a salesperson, license number S.0058818 from December 8, 2003 through December 31,
4 2012, and is licensed as a real estate broker, license number B.1000788.CORP since March
5 17, 2011, and as a property manager, license number PM.0165003.BKR since August 5,
6 2011, and is currently in active status and subject to the jurisdiction of the Division and the
7 provisions of NRS chapter 645 and NAC chapter 645.

8 2. On or about May 9, 2011, Steven Scott Burkett and Kari Burkett (the "Burketts")
9 entered into an Exclusive Right to Sell Contract, which engaged RESPONDENT to list and
10 sell a house located at 1720 Wesley Drive, Reno, Nevada (the "Property") for a list price of
11 \$81,000.

12 3. RESPONDENT did not input the Property into the Northern Nevada Regional
13 Multiple Listing Service ("MLS") within 48 hours as prescribe by the listing agreement.

14 4. Rather, in or about early May 2011, RESPONDENT showed the Property to DP
15 Real Estate Investments LLC.

16 5. On or about May 17, 2011, DP Real Estate Investments LLC offered \$77,500 for
17 the Property.

18 6. DP Real Estate Investments LLC's \$77,500 offer was less than the \$81,000 listed
19 price on the Exclusive Right to Sell Contract.

20 7. On or about May 17, 2011, the same day as receiving DP Real Estate Investments
21 LLC's \$77,500 offer, RESPONDENT advised the Burketts that they should accept that offer.

22 8. DP Real Estate Investments LLC is owned by David Provenzano.

23 9. RESPONDENT, at the relevant times mentioned in this Complaint, was in a
24 personal relationship with David Provenzano, which included cohabitation.

25 10. The address for DP Real Estate Investments LLC was the same as Greathouse
26 Real Estate Company, one of the RESPONDENT's companies.

27 11. RESPONDENT did not disclose to the Burketts RESPONDENT's affiliation and
28 relationship with Provenzano and with DP Real Estate Investments LLC.

1 12. It was not until June 3, 2011, that RESPONDENT input the Property into the MLS,
2 at which time she entered the offer and pending price of the Property for \$77,500.

3 13. A Broker's Price Opinion, dated on or about June 4, 2011, recommended that the
4 list price be \$95,700, with an anticipated selling price of \$92,200.

5 14. DP Real Estate Investments LLC was unable to buy the Property.

6 15. A Broker's Price Opinion, dated on or about September 29, 2011, recommended
7 that the list price be \$117,000, with an anticipated selling price of \$115,000.

8 16. In or about October 2011, the Burketts sold the Property for \$110,000.

9 17. On or about February 16, 2012, the Burketts filed a Statement of Fact with the
10 Division regarding RESPONDENT's actions with respect to the Property.

11 **VIOLATIONS**

12 RESPONDENT has committed the following violations of law:

13 18. RESPONDENT violated NRS 645.633(1)(h) by failing to file and list property
14 with the Multiple Listing Service within 48 hours as prescribed in the Exclusive Right to Sell
15 Contract.

16 19. RESPONDENT violated NRS 645.633(1)(i) pursuant to NRS 645.252(1)(c) by
17 failing to disclose her relationship with Provenzano and with DP Real Estate Investments
18 LLC.

19 20. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(6) by not
20 representing the Burketts with absolute fidelity.

21 **DISCIPLINE AUTHORIZED**

22 21. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to
23 impose an administrative fine of up to \$10,000 per violation against RESPONDENT and
24 further to suspend, revoke or place conditions on the license of RESPONDENT.

25 22. Additionally, under NRS Chapter 622, the Commission is authorized to impose
26 costs of the proceeding upon RESPONDENT, including investigative costs and attorney's
27 fees, if the Commission otherwise imposes discipline on RESPONDENT.

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1 alleged misconduct or professional competence. A verbatim record will be made by a certified
2 court reporter. You are entitled to a copy of the transcript of the open and closed portions of
3 the meeting, although you must pay for the transcription.

4 As the Respondent, you are specifically informed that you have the right to appear and
5 be heard in your defense, either personally or through your counsel of choice. At the hearing,
6 the Division has the burden of proving the allegations in the complaint and will call witnesses
7 and present evidence against you. You have the right to respond and to present relevant
8 evidence and argument on all issues involved. You have the right to call and examine
9 witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant
10 to the issues involved.

11 You have the right to request that the Commission issue subpoenas to compel
12 witnesses to testify and/or evidence to be offered on your behalf. In making the request, you
13 may be required to demonstrate the relevance of the witness' testimony and/or evidence.
14 Other important rights you have are listed in NRS 645.680 through 645.990, NRS Chapter
15 233B, and NAC 645.810 through 645.875.

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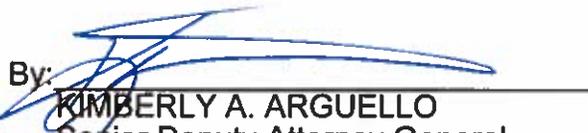
1 The purpose of the hearing is to determine if the Respondent has violated NRS 645
2 and/or NAC 645 and if the allegations contained herein are substantially proven by the
3 evidence presented and to further determine what administrative penalty, if any, is to be
4 assessed against the Respondent pursuant to NRS 645.235, 645.633 and or 645.630.

5 DATED this 23rd day of May, 2014.

6 State of Nevada
7 Department of Business and Industry
8 Real Estate Division

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