

BEFORE THE REAL ESTATE COMMISSION

MAR 28 2016

STATE OF NEVADA

REAL ESTATE COMMISSION
[Signature]

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

Case No. RES 12-10-09-105

Petitioner,

vs.

SARAH M. GOLDSTEIN,

Respondent.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

This matter came on for hearing before the Nevada Real Estate Commission, Department of Business and Industry, State of Nevada ("Commission") on February 28, 2013 at 240 Water Street, Henderson Nevada 89015. Present were Commissioners David Boyer, Norma Jean Opatik, Richard Johnson and Paul Murad. Respondent, SARAH M. GOLDSTEIN ("RESPONDENT" or "GOLDSTEIN") appeared on her own behalf. Kimberly A. Arguello, Senior Deputy Attorney General appeared on behalf of Petitioner.

FINDINGS OF FACT

The Commission, based upon the admissions of RESPONDENT and evidence presented during the Hearing, finds that there is a preponderance of evidence in the record to establish each of the following Findings of Fact:

1. RESPONDENT, at the relevant times mentioned in this Complaint, was licensed as a Broker, license number B.0039746.PTNR. At all times relevant in this Complaint, RESPONDENT held a property management permit number PM.0139746.BKR issued by the Division and is currently in inactive status. RESPONDENT currently holds an active license as a broker salesperson under license number BS.0039746. RESPONDENT is therefore subject to the jurisdiction of the Division and the provisions of NRS chapter 645 and NAC chapter 645.

2. At all times relevant to the Complaint, RESPONDENT was the licensed broker conducting property management for Golden Crest Properties.

1 3. On or about February 23, 2011, RESPONDENT entered into a Residential
2 Property Management Agreement with Janice Powell for the management of her property
3 located at 6826 Relic Street, Las Vegas, Nevada 89149 ("the property").

4 4. On or about April 22, 2011, RESPONDENT entered into a one year Residential
5 Lease Agreement for the lease of the subject property with tenant La Fortune with a monthly
6 rent of \$1,095. RESPONDENT collected rent and also collected a \$1345 security deposit from
7 tenant.

8 5. Ms. Powell had complaints regarding improper accounting and a general lack of
9 timeliness. Rent was received by RESPONDENT by the first of the month. RESPONDENT
10 would pay herself her management fee by the 15th of the month, yet Ms. Powell would not
11 receive the remaining rents until 2 to 3 weeks later.

12 6. On or about September 23, 2011, RESPONDENT verbally terminated the
13 property management contract during a telephone call with a paralegal at Ms. Powell's
14 counsel's office.

15 7. Ms. Powell complains that upon RESPONDENT's verbal termination of the
16 contract, amounts were deducted from Ms. Powell's proceeds which were not authorized.

17 8. Although RESPONDENT denies that she ever terminated the management
18 agreement, her records show a deduction from the property operating account for "Mgmt Fees:
19 Lease Term Remainder" on September 19, 2011 in the amount of \$613.20.

20 9. As a result of the above complaints, the Division subpoenaed RESPONDENT's
21 bank records.

22 10. RESPONDENT advised the Division of the City National Bank account numbers
23 of her security deposit trust account (ending 3326) and her client operating trust account
24 (3296). Golden Crest operating account (ending 3261), RESPONDENT personal account
25 (ending 6171) and personal account of Lisa Skurow (ending 3334) were also subpoenaed.
26 The time frame for the subpoenas was August through October 2011.

27 11. The security deposit trust account was closed April 2011.

28 12. As of August through October, RESPONDENT continued to manage at least

1 seven properties. A review of the leases of three of the properties indicate that
2 RESPONDENT received the security deposits.

3 13. RESPONDENT failed to deposit security deposit funds into a trust account.

4 14. RESPONDENT unlawfully withdrew all of the money from her security deposit
5 trust account for her own personal use.

6 15. RESPONDENT maintained a negative balance in her security deposit trust
7 account for more than 45 days in one year.

8 16. From August through October 2011, RESPONDENT withdrew approximately
9 \$7,431.12 from the Client Operating Trust Account and took it as cash or transferred it to her
10 Business Operating Account.

11 17. During that time, based upon the amount of rents received and management
12 fees charged between 5% and 8%, RESPONDENT would be entitled to management fees not
13 in excess of approximately \$500 per month.

14 18. Any amounts transferred or withdrawn from the Client Operating Trust Account in
15 excess of amounts actually earned by RESPONDENT was commingled and converted for her
16 own use.

17 19. RESPONDENT deposited a check from Nevada Title in the amount of \$5,000
18 into the Client Operating Trust Account and thereby commingled the funds.

19 20. RESPONDENT paid her attorney fees from the Client Operating Trust Account
20 and thereby commingled and converted client funds for her own use

21 21. On or about August 18, 2011 RESPONDENT deposited \$844.17 in owner
22 money from John Hastings directly into her business operating account.

23 22. On or about September 6, 2011, RESPONDENT deposited a \$995 rent payment
24 from tenant Ron Phillips directly into her business operating account.

25 23. On September 13, 2011, RESPONDENT deposited \$533.22 in owner money
26 from John Hastings directly into her business operating account.

27 24. On September 13, 2011, RESPONDENT deposited a \$1,055 rent payment from
28 tenant Gregory Heritage directly into her business operating account.

1 RESPONSENT shall pay \$500 with thirty days of the effective date of the order and \$200 per
2 month until paid in full.

3 35. The Division may institute debt collection proceedings for failure to timely pay
4 the total fine pursuant to NRS 645.630.

5 36. The Commission retains jurisdiction for correcting any errors that may have
6 occurred in the drafting or issuance of this Order.

7 This Order shall become effective on the 24th day of MAY,
8 2016.

9 Dated this 16th day of MARCH, 2016.

10 NEVADA REAL ESTATE COMMISSION

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12 By: 