

**FILED**

JUN 09 2016

REAL ESTATE COMMISSION  
BY *[Signature]*

**BEFORE THE REAL ESTATE COMMISSION**

**STATE OF NEVADA**

JOSEPH R. DECKER, Administrator,  
REAL ESTATE DIVISION, DEPARTMENT  
OF BUSINESS & INDUSTRY,  
STATE OF NEVADA,

Case No. 2014-4528

Petitioner,

vs.

**COMPLAINT AND NOTICE OF HEARING**

WILLIAM (BILL) WOOD,

Respondent.

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel, Adam Paul Laxalt, Attorney General of the State of Nevada, and Donald J. Bordelove, Deputy Attorney General, hereby notifies RESPONDENT WILLIAM (BILL) WOOD ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The 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 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 was at all relevant times mentioned in this Complaint licensed by the Division as a broker under license number B.0001623.LLC, property manager under permit PM.0163158.BKR, and business broker under license number BUSB.0006772.BKR, 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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555 E. Washington, Suite 3900  
Las Vegas, NV 89101

**FACTUAL ALLEGATIONS**

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2           1.     At all times relevant to the Complaint, RESPONDENT was the broker, owner,  
3 and property manager for Encore Realty Group.

4           2.     RESPONDENT maintained three (3) bank accounts which are the subject of this  
5 Complaint: (1) Encore Realty Business Operating Account ending 8713; (2) Encore Realty  
6 Group Client Main Trust Account ending 9068; and (3) Encore Realty Group Tenant Security  
7 Deposit Account ending 8700.

8           3.     On or about November 18, 2014, the Division sent RESPONDENT a letter  
9 indicating that he did not submit his trust reconciliations for the year 2014 by the expiration  
10 date of his license and, as such, was required to pay an administrative fine of \$1,000.00.

11          4.     On or about December 18, 2014, the Division received a letter from  
12 RESPONDENT along with documentation indicating there were very significant deficiencies in  
13 both the "Security Trust and Main Operating Trust accounts" of Encore Realty Group.

14          5.     In that letter, RESPONDENT admitted that he was directly responsible for the  
15 shortages and that punishment was appropriate.

16          6.     In that letter, RESPONDENT also requested the deferral of the \$1,000.00 fine  
17 imposed for his failure to timely submit his annual trust account reconciliation.

18          7.     In the same letter, RESPONDENT made the statement that, "I believe I can  
19 repay a minimum of \$5,000.00 each month towards this recovery, but only if allowed to  
20 continue."

21          8.     An audit of the bank records obtained by the Division pursuant to subpoena,  
22 received January 15, 2015, showed that during the months of January 2014 to September  
23 2014 large amounts of client funds were being transferred from Encore Realty Group Client  
24 Main Trust Account ending 9068 into Encore Realty Group Business Operating Account  
25 ending 8713.

26          9.     Additionally, RESPONDENT made cash withdrawals from the client account.

27          10.    The total amount transferred in nine (9) months was \$229,762.56.

28          11.    The total amount of cash withdrawals in nine (9) months was \$3,552.00.

1 12. The total amount of misappropriated client funds was \$233,314.56.<sup>1</sup>

2 13. The dollar amount RESPONDENT self-reported on December 18, 2014 as  
3 missing was: (a) as of September 2014 – \$318,338.32; (b) as of October 2014 – \$313,982.82;  
4 (c) as of November 2014 – \$329,225.14; and (d) as of mid-December 2014 – \$308,593.24.

5 14. On or about September 23, 2015, the investigator sent an email to  
6 RESPONDENT requesting a copy of his annual trust account reconciliation for Encore Realty  
7 Group that would be due before October 31, 2015.

8 15. RESPONDENT replied to that email indicating that he had not yet began the  
9 repayment of client funds, and RESPONDENT implied that he had been waiting for the  
10 Division's approval to remain in business before he would attempt to make accounts whole  
11 again.

12 16. On or about October 4, 2015, RESPONDENT submitted his annual trust account  
13 reconciliations which still showed significant deficiencies.

#### 14 VIOLATIONS

15 RESPONDENT has committed the following violations of law:

16 17. RESPONDENT violated NRS 645.630(1)(h) when he commingled and  
17 converted client funds by transferring them electronically from the client main operating trust  
18 into his firm's business operating account.

19 18. RESPONDENT violated NRS 645.630(1)(h) when he withdrew cash from the  
20 client's main operating trust.

21 19. RESPONDENT violated NRS 645.633(1)(h) by committing conduct which  
22 constitutes deceitful, fraudulent or dishonest dealing pursuant to NAC 645.605(1) by failing to  
23 do his utmost to protect the public against fraud, misrepresentation or unethical practices  
24 related to real estate.

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28 <sup>1</sup> Please note that this total is only for the months audited and does not represent the total of all missing funds.



1           **STACKED CALENDAR:** Your hearing is one of several hearings scheduled at the  
2 same time as part of a regular meeting of the Commission that is expected to last from  
3 July 12 through July 14, 2016, or earlier if the business of the Commission is  
4 concluded. Thus, your hearing may be continued until later in the day or from day to  
5 day. It is your responsibility to be present when your case is called. If you are not  
6 present when your hearing is called, a default may be entered against you and the  
7 Commission may decide the case as if all allegations in the complaint were true. If you  
8 have any questions please call Rebecca Hardin, Commission Coordinator (702) 486-  
9 4074.

10           **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an  
11 open meeting under Nevada's open meeting law, and may be attended by the public. After  
12 the evidence and arguments, the commission may conduct a closed meeting to discuss your  
13 alleged misconduct or professional competence. A verbatim record will be made by a certified  
14 court reporter. You are entitled to a copy of the transcript of the open and closed portions of  
15 the meeting, although you must pay for the transcription.

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

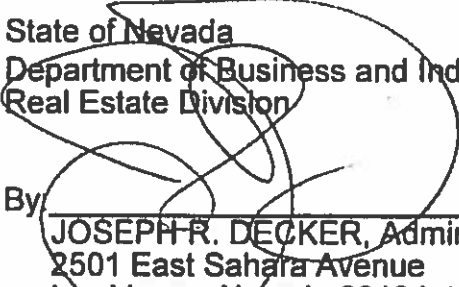
23           You have the right to request that the Commission issue subpoenas to compel  
24 witnesses to testify and/or evidence to be offered on your behalf. In making the request, you  
25 may be required to demonstrate the relevance of the witness' testimony and/or evidence.  
26 Other important rights you have are listed in NRS 645.680 through 645.990, NRS Chapter  
27 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 is to be assessed  
4 against the Respondent, if any, pursuant to NRS 645.633 and/or NRS 645.630 and/or NRS  
5 622.400.

6 DATED this 9 day of June, 2016.

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

10 By:   
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