

FILED

APR 06 2017

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

REAL ESTATE COMMISSION
BY *[Signature]*

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

Case No.: REN 14-03-01-027

Petitioner,

DECISION:
FINDINGS OF FACT AND
CONCLUSIONS OF LAW

vs.

DENNIS J. WILSON JR,

Respondent.

This matter came on for hearing before the Nevada Real Estate Commission ("Commission"), State of Nevada, on Tuesday, March 14, 2017, at the 1919 College Parkway, Carson City, Nevada 89701. DENNIS J. WILSON, Jr. ("Respondent") appeared in person and testified on his own behalf at the hearing. 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.

JURISDICTION

Respondent, at all relevant times mentioned in the Complaint, was licensed by the Division as a Broker under License Number B.0042507.CORP, and therefore is subject to the jurisdiction of the Division and the provisions of NRS Chapter 645 and NAC Chapter 645.

FINDINGS OF FACT

The Commission, based upon the evidence presented during the hearing, finds that there is substantial evidence in the record to establish each of the following Findings of Fact:

Attorney General's Office
100 N. Carson Street
Carson City, Nevada 89701-4717

1 1. Respondent, at all relevant times mentioned in the Complaint, was licensed
2 as a Broker under License Number B.0042507.CORP. Respondent currently is licensed
3 as a Broker Salesperson under License Number BS.0042507 and is subject to the
4 jurisdiction of the Division and the provisions of NRS Chapter 645 and NAC Chapter 645.

5 2. Thomas and Michele McGhee ("Complainants") were clients of Respondent.

6 3. Respondent learned about Complainant's IRA accounts.

7 4. Respondent is not a licensed financial advisor or securities broker in the
8 State of Nevada.

9 5. In the spring of 2012, Complainants agreed to invest Seventy-Four
10 Thousand and No/100 Dollars (\$74,000.00) from their IRA accounts with Respondent in
11 an apartment building located at 228 Mill Street, Reno, Nevada 89501, which Respondent
12 owned.

13 6. Respondent did not identify to the Complainants that the Mill Street
14 property was encumbered with a senior Deed of Trust in the amount of Three Hundred
15 Sixty and No/100 Dollars (\$360,000.00), which included an Assignment of Rents.

16 7. Respondent did not identify to the Complainants that the property was
17 delinquent on its property taxes.

18 8. On or about May 24, 2012, Respondent signed an eight (8) percent interest-
19 only, five (5)-year term note and a Deed of Trust with Assignment of Rents in favor of
20 Complainants. Respondent did not attend the closing signing.

21 9. At no time prior to the closing did Respondent advise the Complainants to
22 obtain the advice of an expert relating to self-directed IRA investments.

23 10. Complainants only received two (2) interest-only payments from
24 Respondent: one in September 2012 for Two Hundred Eighty-Two and 35/100 Dollars
25 (\$282.35) and one in December 2012 for Eight Hundred Eighty and 71/100 Dollars
26 (\$880.71).

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28 ///

1 11. The installment payments on the interest-only note were scheduled to be
2 paid in the amount of Four Hundred Ninety-Three and 33/100 Dollars (\$493.33) per
3 month.

4 12. Complainants tried to contact Respondent numerous times after failing to
5 receive payments but never received a response

6 13. On or about March 10, 2014, the Division mailed a letter to Respondent
7 indicating that his actions were the subject of a Complaint and requested Respondent to
8 submit an Affidavit response to the allegations contained in the Complaint.

9 14. On or about March 24, 2014, Respondent sent his response Affidavit to the
10 Division and disclaimed any liability or obligation to Complainants; however, Respondent
11 indicated he planned to make contact with the McGhees to "make them whole."

12 15. Respondent has not made any further payments to Complainants.

13 CONCLUSIONS OF LAW

14 The Commission, based upon the preponderance of the evidence, makes the
15 following legal conclusions:

16 16. Respondent violated NRS 645.254(5) by failing to disclose to the
17 Complainant material facts of which the Respondent had knowledge concerning the
18 transaction.

19 17. Respondent violated NRS 645.254(6) by failing to advise the Complainant to
20 obtain advice from an expert relating to matters which are beyond the expertise of the
21 licensee.

22 18. Respondent violated NRS 645.633(1)(h), pursuant to NAC 645.605(9), by
23 failing to properly apply federal and state statutes relating to protection of consumers.

24 ORDER

25 IT IS HEREBY ORDERED that Respondent shall pay to the Division a total fine of
26 Thirty-Three Thousand Three-Hundred Forty-Five and 94/100 Dollars (\$33,345.94). The
27 total fine reflects a fine of Thirty Thousand and No/100 Dollars (\$30,000.00) for
28 committing the above violations of law, plus Three Thousand Three Hundred Forty-Five

1 and 94/100 Dollars (\$3,345.94) for hearing and investigative costs. Respondent shall
2 make twenty-four (24) monthly payments to the Division in the amount of One Thousand
3 Three Hundred Eighty-Nine and 42/100 Dollars (\$1,389.42). The first payment shall be
4 made within thirty (30) days of the effective date of this Order.


5 In the event of a missed monthly payment, the fine shall be determined to be in
6 default, and the entire balance shall be come due and owing; whereupon, the Division
7 may institute debt collection proceedings.

8 IT IS FURTHER ORDERED that the following condition shall be placed upon the
9 Respondent's license: Respondent shall refrain from engaging in any transactions
10 involving self-directed IRA accounts for a period of twenty-four (24) months.

11 The Commission retains jurisdiction for correcting any errors that may have
12 occurred in the drafting and issuance of this Decision.

13 This Order shall become effective on the 5th day of June, 2017.

14 REAL ESTATE DIVISION
15 STATE OF NEVADA

16 By: 
17 Commissioner
18 Nevada Real Estate Commission
19 4/6/17