

1 **BEFORE THE REAL ESTATE COMMISSION**

2 **STATE OF NEVADA**

3 SHARATH CHANDRA, Administrator,
4 REAL ESTATE DIVISION, DEPARTMENT
5 OF BUSINESS & INDUSTRY,
6 STATE OF NEVADA,

Case No.: 2018-1449

6 Petitioner,

**COMPLAINT AND NOTICE OF
HEARING**

7 vs.

FILED

8 EDWARD D. LORD,

JUL 01 2019

9
10 Respondent.

REAL ESTATE COMMISSION
BY *[Signature]*

11
12 The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND
13 INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel,
14 AARON D. FORD, Attorney General of the State of Nevada, and PETER KEEGAN, Deputy
15 Attorney General, hereby notifies RESPONDENT, EDWARD D. LORD, ("RESPONDENT")
16 of an administrative hearing before the STATE OF NEVADA REAL ESTATE
17 COMMISSION ("Commission"). The hearing will be held pursuant to Chapter 233B and
18 Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada
19 Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations
20 stated below and to determine if the RESPONDENT should be subject to an administrative
21 penalty or other discipline authorized by NRS 645 and/or NAC 645, if violations of law are
22 proven.

23 **JURISDICTION**

24 RESPONDENT is licensed as a broker salesperson under license number
25 BS.0036344. RESPONDENT engaged in activities which require a license as a real estate
26 broker, real estate broker-salesperson, or real estate salesperson, issued by the Division
27 and is, therefore, subject to the jurisdiction of the Division and the Commission, and the
28 provisions of NRS and NAC 645.

1 **FACTUAL ALLEGATIONS**

2 1. RESPONDENT is a licensed Broker Salesperson under license number,
3 BS.0036344, initially issued by the Division on August 9, 1995.

4 2. On January 23, 2018, Neita Montague, and on February 8, 2018, Mark
5 Montague, signed an Exclusive Right to Sell Contract for 7840 Tamra Drive, Reno, Nevada
6 89506 ("the Property"), with the Complainant's brokerage.

7 3. The Exclusive Right to Sell Contract for the Property was for the period
8 commencing February 9, 2018, and terminating at midnight on August 31, 2018.

9 4. On or about March 23, 2018, RESPONDENT prepared a Consent to Act Form
10 and Duties Owed by a Nevada Real Estate Licensee ("Duties Owed Form") and had Mark
11 Montague sign as both the buyer and seller of the property in question.

12 5. The March 23, 2018, Duties Owed Form lists KRCH Realty as the broker.

13 6. The RESPONDENT placed the Property onto the Northern Nevada Multiple
14 Listing Service ("NNMLS") on March 20, 2018, reflecting a listing date of March 21, 2018.

15 7. The NNMLS listing stated that Respondent was the sole listing agent.

16 8. The NNMLS listing identified that the Property was offered as a "Partition
17 Sale" for 50% interest in the property.

18 9. RESPONDENT did not have a court order allowing for a partition sale of the
19 Property.

20 10. On or about March 21, 2018, Complainant's brokerage received a letter from
21 Mr. Montague withdrawing his signature on the Duties Owed Form and Consent to Act
22 Form that he signed on February 8, 2018.

23 11. On or about March 22, 2018, RESPONDENT entered into an Exclusive Right
24 to Sell Agreement with Mark Montague.

25 12. The March 22, 2018, Exclusive Right to Sell Agreement lists KRCH Realty as
26 the broker.

27 13. The March 22, 2018, Exclusive Right to Sell Agreement states that the Broker
28 was to be paid 6% of the selling price.

1 14. The March 22, 2018, Exclusive Right to Sell Agreement states that the
2 Property is being offered as a "Partition Sale" for 50% interest in the property.

3 15. On or about March 22, 2018, RESPONDENT submitted a Residential Offer
4 and Acceptance Agreement on behalf of Mr. Montague for the Property in the amount of
5 \$450,000.

6 16. The March 22, 2018, Residential Offer and Acceptance Agreement shows
7 RESPONDENT as the buyer's broker.

8 17. The March 22, 2018, Residential Offer and Acceptance Agreement shows
9 KRCH Realty as the seller's broker.

10 18. On or about March 22, 2018, the RESPONDENT withdrew the NNMLS listing
11 for the Property.

12 19. On March 22, 2018, Mark Montague signed a second Duties Owed Form which
13 identified RESPONDENT as the broker.

14 20. On March 23, 2018, Mark Montague signed a Buyer's Real Property
15 Brokerage Agreement with KRCH Realty that named RESPONDENT as the broker.

16 21. On or about, October 11, 2018, the Division received a Complaint and
17 Statement of Fact against RESPONDENT.

18 22. On or about October 15, 2018, the Division sent RESPONDENT and
19 RESPONDENT's broker of record, an Investigation Opening letter requesting a response
20 by October 29, 2018.

21 23. On or about, November 5, 2018, after receiving a week extension, the
22 RESPONDENT and RESPONDENT's broker submitted their responses to the Division's
23 Investigation Opening Letter.

24 24. On February 20, 2019, the Division sent, via certified mail, a 233B letter to
25 RESPONDENT indicating that the Division intended to file a formal complaint with the
26 Nevada Real Estate Commission and request a disciplinary hearing.

27 ///

28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

VIOLATIONS

RESPONDENT has committed the following violations of law:

25. RESPONDENT violated NRS 645.252(2) and/or NRS 645.254(6) and/or NRS 645.633(1)(h) for failing to exercise reasonable skill and care and/or for gross negligence or incompetence for advising Mark Montague to sell his ownership of the Property as a partition sale without advising Mark Montague to seek expert advice regarding the requirements for a partition sale.

26. RESPONDENT violated NRS 645.3205 and/or NRS 645.630(1)(a) and/or NRS 645.633(1)(i) pursuant to NAC 645.605(1) for dealing with a party to a real estate transaction in a manner which is deceitful, fraudulent or dishonest by identifying himself as a broker while he only holds a broker-salesperson license.

27. RESPONDENT violated NRS 645.630(1)(l) and/or NRS 645.635(2) for entering a brokerage agreement with Mark Montague while knowing that he had a signed brokerage agreement in place for the property in question with the Complainant's brokerage.

28. RESPONDENT violated NRS 645.635(1) or offering the Property for sale without the consent of each owner.

DISCIPLINE AUTHORIZED

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

2. Pursuant to NRS 645.314, the Division is authorized to request its investigative costs where the investigation was undertaken for disciplinary purposes.

3. Additionally, under NRS 622.400, the Commission is authorized to impose costs of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the Commission otherwise imposes discipline on RESPONDENT.

4. Therefore, the Division requests that the Commission take such disciplinary action as it deems appropriate under the circumstances.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

NOTICE OF HEARING

PLEASE TAKE NOTICE that a disciplinary hearing has been set to consider the Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

THE HEARING WILL TAKE PLACE on August 20-22, 2019 commencing at 9:00 a.m., or as soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing at 9:00 a.m. through August 22, 2019, or earlier if the business of the Commission is concluded. The Commission meeting will be held each day at the Nevada Division of Insurance, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706.

STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same time as part of a regular meeting of the Commission that is expected to last from August 20, 2019 through August 22, 2019, or earlier if the business of the Commission is concluded. Thus, your hearing may be continued until later in the day or from day to day. It is your responsibility to be present when your case is called. If you are not present when your hearing is called, a default may be entered against you and the Commission may decide the case as if all allegations in the complaint were true. If you have any questions please call Evelyn Pattee, Commission Coordinator, 702-486-4074.

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

As the Respondent, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice. At the

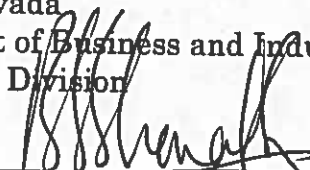
1 hearing, the Division has the burden of proving the allegations in the complaint and will
2 call witnesses and present evidence against you. You have the right to respond and to
3 present relevant evidence and argument on all issues involved. You have the right to call
4 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any
5 matter relevant to the issues involved.

6 You have the right to request that the Commission issue subpoenas to compel
7 witnesses to testify and/or evidence to be offered on your behalf. In making the request,
8 you may be required to demonstrate the relevance of the witnesses' testimony and/or
9 evidence. Other important rights you have are listed in NRS 645.680 through 645.990,
10 NRS Chapter 233B, and NAC 645.810 through 645.920.

11 The purpose of the hearing is to determine if the Respondent has violated NRS 645
12 and/or NAC 645 and if the allegations contained herein are substantially proven by
13 the evidence presented and to further determine what administrative penalty, if any, is to
14 be assessed against the Respondent.

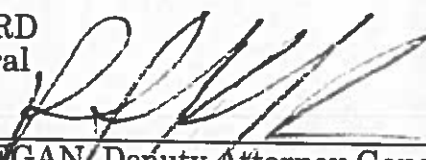
15 DATED this 1st day of ~~June~~^{July}, 2019.

16 State of Nevada
17 Department of Business and Industry
18 Real Estate Division

19 By: 
20 SHARATH CHANDRA, Administrator
21 3300 W. Sahara Avenue, Suite 350
22 Las Vegas, Nevada 89102

23 DATED this 1st day of ~~June~~^{July}, 2019.

24 AARON D. FORD
25 Attorney General

26 By: 
27 PETER KEEGAN, Deputy Attorney General
28 100 North Carson Street
Carson City, Nevada 89701
Telephone: (775) 684-1153
Attorneys for Real Estate Division