

**NEVADA REAL ESTATE COMMISSION
MINUTES**

VIA VIRTUAL MEETING

JUNE 16, 2020

9:13 AM

1-A) Introduction of Commissioners in Attendance

Lee Gurr, Elko County; Lee Barrett, Clark County; Devin Reiss, Clark County; Darrell Plummer, Washoe County and Spiridon Filios, Clark County
Commission Counsel: Deputy Attorney General Asheesh Bhalla

1-B) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager; Evelyn Pattee, Commission Coordinator; Jan Holle, Chief Compliance Audit Investigator; Maria Martin, Compliance Audit Investigator; Annalyn Carrillo, Education & Information Officer; Kimberly Smith, Education Supervisor; Deputy Attorney Generals Dennis Belcourt, Karissa Neff and Robert Werbicky representing the Division.

1-C) Swearing in of newly appointed Commissioner

Spiridon Filios was sworn in.

7-R) NRED v Thomas J. Love, for possible action

Case # 2019-723

Parties Present

Thomas Love was present.
Michael Stoberski was present representing Mr. Love.
Deputy Attorney General Karissa Neff was present representing the Division.

Preliminary Matters

Ms. Neff stated that a settlement had been reached. Ms. Neff read the settlement and the complaint into the record.

Settlement

➤ Respondent agrees to pay the Division \$500.00 as an administrative fine and \$1,634.88 in administrative costs within 60 days of the Commission's order approving the settlement.

The Commission questioned Mr. Love, Ms. Neff and Mr. Stoberski.

Commissioner Plummer moved to reject the stipulation as presented and requested a hearing be set. Motion died for lack of a second.

Commissioner Gurr moved to accept the stipulation as presented. Seconded by Commissioner Filios.

Commissioner Plummer stated that he is speaking against the motion. Commissioner Plummer stated that he has seen fines more than \$500 for failure to enter a listing to the multiple listing service (MLS) and turn in the MLS waiver form. Commissioner Plummer stated that \$500 is not satisfactory to accept given the allegations.

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Motion failed 2-3 with Commissioners Barrett, Plummer and President Reiss opposed.

2) Public Comment

Tiffany Banks, general counsel for Nevada Association of Realtors, recommended that the Nevada Real Estate Division guidance on post licensing and continuing education courses be extended through the remainder of 2020 with a new expiration date of December 31, 2020. Ms. Banks stated that this guidance allows live education on formats like Zoom and WebEx. Ms. Banks stated that as we move through the phases, we are aware that live or in person education may be held if class sizes do not exceed half of the allowed occupancy of the room and that class sponsors insure proper social distancing and adherence to CDC guidelines. Ms. Banks stated that having classroom capacity in this manner, there will be difficult serving the education needs of real estate licensees if virtual classes are not allowed to continue.

Ms. Banks stated that there is funding for the updated Nevada Law and Reference Guide and work updating it was going to be done soon. Ms. Banks stated the importance of allocating funds moving forward for this update. Ms. Banks stated that the guide is a tremendous resource that licensees use every day. Ms. Banks stated that the Nevada Association of Realtors refer agents and brokers to pertinent excerpts in the guide and many parts of it are outdated since many new laws have passed since the last update.

7-U) NRED v Barbara A. Seeker, for possible action **Case #s 2019-1099 & 2019-1353**

Parties Present

Barbara Seeker was present.

Deputy Attorney Robert Werbicky was present representing the Division.

Preliminary Matters

Mr. Werbicky stated that a settlement had been reached. Mr. Werbicky read the settlement and the complaint into the record.

Settlement

- Respondent agrees to pay the Division \$500.00 as an administrative fine and \$1,811.39 in administrative costs for a total of \$2,311.39 within 24 months of the Commission's order approving the settlement as follows:
 - \$100.00 per month starting July 1, 2020 for 23 months and \$11.39 on June 1, 2022.
- Respondent agrees to the immediate surrender of her license.

Commissioner Barrett moved to accept the stipulation as presented. Seconded by Commissioner Gurr. Motion passed.

7-F) NRED v Larry D. Janvrin, for possible action **Case # 2019-639**

7-G) NRED v Larry D. Janvrin, for possible action **Case # 2019-832**

Parties Present

Larry Janvrin was present.

Leo Flangas was present representing Mr. Janvrin.

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Deputy Attorney General Karissa Neff was present representing the Division.

Preliminary Matters

Ms. Neff stated that a settlement had been reached in both cases. Ms. Ness read the settlement and the complaints into the record.

Case # 2019-832 Settlement

- Respondent agrees to pay the Division \$12,000.00 as an administrative fine and \$957.44 in administrative costs for a total amount of \$12,957.44.
- Revocation of all real estate licenses and property manager permits.

Case # 2019-639 Settlement

- Respondent agrees to pay the Division \$8,000.00 as an administrative fine and \$1,326.16 in administrative costs for a total amount of \$9,326.16.
- Revocation of all real estate licenses and property manager permits.

The total amount of \$22,283.60 due to be paid to the Division as follows:

- Respondent shall make monthly payments due the 1st of each month in the amount of \$371.40 starting August 1, 2020 until the total amount is paid in full.

The Commission questioned Ms. Neff.

Mr. Flangas made a statement.

Commissioner Barrett moved to reject the stipulation as presented and requested a hearing be set. Motion died for lack of a second.

Commissioner Gurr moved to accept the stipulation as presented. Seconded by Commissioner Plummer. Motion passed 4-1 with Commissioner Barrett opposed.

7-H) NRED v Shannon Janvrin, for possible action

Case # 2019-638

Parties Present

Shannon Janvrin was present.

Leo Flangas was present representing Mrs. Janvrin.

Deputy Attorney General Karissa Neff was present representing the Division.

Preliminary Matters

Ms. Neff stated that a settlement had been reached. Ms. Ness read the settlement and the complaint into the record.

Settlement

- Respondent agrees to pay the Division \$15,000.00 as an administrative fine and \$708.72 in administrative costs for a total amount of \$15,708.72 as follows:
 - Respondent shall make monthly payments due the 1st of each month in the amount of \$261.81 starting August 1, 2020 until the total amount is paid in full.
- Revocation of all real estate licenses and property manager permits.

Mr. Flangas gave a statement.

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Commissioner Plummer moved to reject the stipulation as presented and requested a hearing be set. Seconded by Commissioner Barrett.

Commissioner Gurr stated that she is speaking against the motion. Commissioner Gurr stated that she sees no point in delaying or continuing with the complaint against Mrs. Janvrin. Commissioner Gurr stated that the Commission should accept the stipulation and move forward.

Motion passed 3-2 with Commissioner Gurr and President Reiss opposed.

7-A) NRED v Beverly Schaeffer, for possible action
Case # 2019-6

7-B) NRED v Beverly Schaeffer, for possible action
Case # 2019-490

Parties Present

Beverly Schaeffer was present.

Zach Ball was present representing Ms. Schaeffer.

Deputy Attorney General Karissa Neff was present representing the Division.

Preliminary Matters

Ms. Neff moved that the cases be consolidated.

Mr. Ball stated that he does not object to the motion.

The Commission agreed.

Ms. Neff moved to amend the complaint to correct factual inaccuracies.

Mr. Ball stated that he does not object to the motion.

The Commission agreed.

Opening Statement

Ms. Neff gave her opening statement.

Mr. Bell gave his opening statement.

Ms. Neff asked that the notice of documents be admitted as State's Exhibits.

President Reiss stated that the notice of documents would be admitted.

State's Witness

Maria Martin testified.

Ms. Neff requested a spreadsheet be admitted as exhibit 1.

President Reiss stated the spreadsheet would be admitted as State's Exhibit 1.

Mr. Ball cross-examined Ms. Martin.

Ms. Neff re-examined Ms. Martin.

The Commission questioned Ms. Martin.

The witness was dismissed.

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State's Witness

Michael Zeng testified.

Mr. Ball cross-examined Mr. Zeng.

The Commission questioned Mr. Zeng.

The witness was dismissed.

6-A) For possible action: Discussion and decision regarding respondent's request for reconsideration of disciplinary terms:

NRED v Michael C. Gonyea

Case # 2017-1299

Parties Present

Michael Gonyea was present.

Mr. Gonyea stated that he is requesting a payment plan with minimum monthly payments of \$250.00 per month until the total amount due is paid in full.

Teralyn Lewis, Administration Section Manager, stated that the total balance owed is \$13,936.34.

Commissioner Barrett moved to grant the payment plan. Seconded by Commissioner Gurr. Motion passed.

5-A) For possible action: Discussion and decision regarding license denial appeal:

Andrew Larson File No. S-LDA-20-003

Parties Present

Andrew Larson was present.

Susan Clark, Licensing Manager for the Real Estate Division, stated the reason Mr. Larson's application for salesperson license was denied.

Mr. Larson gave his statement.

The Commission questioned Ms. Clark.

The Commission questioned Mr. Larson.

Commissioner Barrett moved to grant Mr. Larson a real estate license. Seconded by Commissioner Gurr. Motion passed.

5-B) For possible action: Discussion and decision regarding license denial appeal:

Ricki Y. Barlow File No. S-LDA-20-004

Parties Present

Ricki Barlow was present.

Mr. Barlow requested that the Commission go into closed session.

Commissioner Gurr moved that the Commission go into closed session. Seconded by Commissioner Barrett. Motion passed.

The meeting went into closed session.

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The meeting went into open session.

Commissioner Barret moved to grant Mr. Barlow a real estate license. Seconded by Commissioner Gurr. Motion passed 4-1 with Commissioner Plummer opposed.

4-A) Discussion: Petition to Amend Regulation

Richard G. Scholk presented this item.

Mr. Scholk stated that he requests to amend NAC 645.627 to allow real estate brokers to have an office within a home located in a gated community.

Teralyn Lewis, Administration Section Manager, brought to the Commission's attention, NRS 645.550 and NRS 645.560, statutes regarding broker to maintain a place of business and broker: erection, maintenance, size and placement of signs.

Commissioner Barrett stated that NAC 645 states that the office is required to fit within zoning.

Commissioner Plummer stated that he doesn't support the Division's requirements be changed.

Commissioner Gurr stated that the statutory language specifically states that the office must have a sign. Commissioner Gurr stated that she is not in favor of this regulation change because it contravenes statute.

Commissioner Filios stated that the reasons the NRS and NAC are written is for the protection of the public as opposed to the protection of the licensees/applicants. Commissioner Filios stated that he disagrees with the regulation change on many levels.

President Reiss stated that a change to NRS would have to happen for the Commission to take action on this matter. President Reiss stated that Mr. Scholk could take the request to the legislators.

8) Public Comment

No public comment.

9) For Possible Action: Adjournment

Meeting recessed at 4:47 p.m. on June 16, 2020.

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VIA VIRTUAL MEETING

JUNE 17, 2020

9:05 AM

1-A) Introduction of Commissioners in Attendance

Lee Gurr, Elko County; Lee Barrett, Clark County; Devin Reiss, Clark County; Darrell Plummer, Washoe County and Spiridon Filios, Clark County
Commission Counsel: Deputy Attorney General Asheesh Bhalla

1-B) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager; Evelyn Pattee, Commission Coordinator; Jan Holle, Chief Compliance Audit Investigator; Annalyn Carrillo, Education & Information Officer; Kimberly Smith, Education Supervisor; Deputy Attorney Generals Dennis Belcourt and Karissa Neff representing the Division.

2) Public Comment

No public comment.

7-A) NRED v Beverly Schaeffer, for possible action

Case # 2019-6

7-B) NRED v Beverly Schaeffer, for possible action

Case # 2019-490

Parties Present

Beverly Schaeffer was present.
Zach Ball was present representing Ms. Schaeffer.
Deputy Attorney General Karissa Neff was present representing the Division.

State's Witness

Beverly Schaeffer testified.

Mr. Ball cross-examined Ms. Schaeffer.

The Commission questioned Ms. Schaeffer.

Ms. Neff stated that her Case-in-Chief is concluded.

Respondent's Witness

Beverly Schaeffer testified.

Ms. Neff cross-examined Ms. Schaeffer.

The Commission questioned Ms. Schaeffer.

Mr. Ball stated that he received and did not object to two additional exhibits being admitted.

President Reiss stated that the exhibits would be admitted as exhibit 2 and exhibit 3.

Closing Statements

Ms. Neff gave her closing statement.
Mr. Ball gave his closing statement.

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Commissioner Gurr stated that her understanding is that the intent of Ms. Schaeffer's property management scope of business was to accommodate buyers of investment properties by finding and screening tenants and preparing documents as needed. Commissioner Gurr stated that there was not a desire to maintain a bookkeeping and accounting process as much as it was an accommodation process. Commissioner Gurr stated that she wished the Commission would have been provided with records that show what monies came in and went out to the clients throughout the course of their transactions. Commissioner Gurr stated that what she believes happened and has been admitted, is that Ms. Schaeffer did not maintain records and Ms. Schaeffer didn't ensure files were complete and documents were signed. Commissioner Gurr stated that Ms. Schaeffer did not file annual trust account reconciliation forms. Commissioner Gurr stated that Ms. Schaeffer did not respond in writing to the Division's notice of complaints and requests for documentation.

Commissioner Plummer stated that many questions were not answered by Ms. Schaeffer. Commissioner Plummer stated that he never heard another side of the story. Commissioner Plummer stated he believes the allegations to be true and factual.

Commissioner Barrett stated that he is concerned that Ms. Schaeffer was granted a license in Nevada based on the allegations in California. Commissioner Barrett stated that Ms. Schaeffer didn't adhere to simple, fundamental statutory requirements. Commissioner Barrett stated that there were no answers in Ms. Schaeffer's defense.

Commissioner Filios stated that there was no clear, concise proof or evidence of what happened.

Case # 2019-490 Factual Allegations and Violations of Law

Commissioner Barret moved that the factual allegations and violations were proven. Seconded by Commissioner Plummer.

Commissioner Gurr stated that she is against the motion. Commissioner Gurr stated that factual allegations 1 and 2 are not correct.

Motion passed 4-1 with Commissioner Gurr opposed.

Case # 2019-6 Factual Allegations

Commissioner Plummer moved that factual allegations 1 and 2 were proven. Seconded by Commissioner Barrett.

Commissioner Gurr moved to amend the motion to add that factual allegations 3 and 4 were proven. Amended motion passed.
Motion passed.

Commissioner Gurr moved that factual allegation 5 has been proven up to line 7, the second line of paragraph 5 up to the word "respondent" striking the words thereafter. Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegations 6 through 8 have been proven. Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegation 9 has been proven up through line 18 following the word "Evolve." Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegations 10 and 11 have been proven. Seconded by Commissioner Plummer. Motion passed.

Commission Gurr moved that factual allegations 12 through 14 have been proven. Seconded by Commissioner Barrett. Motion passed.

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Commissioner Barrett moved that factual allegations 15 through 23 have been proven. Seconded by Commissioner Plummer. Motion passed 4-1 with Commissioner Gurr opposed.

Commissioner Barrett moved that factual allegations 24 through 30 have been proven. Seconded by Commissioner Gurr for discussion.

Commissioner Gurr stated that factual allegation 25 has not been proven.

Motion passed 4-1 with Commissioner Gurr opposed.

Commissioner Gurr moved that factual allegations 31 and 32 have been proven. Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegations 33 and 34 have not been proven. Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegation 35 as amended has been proven. Seconded by Commissioner Plummer. Motion passed.

Commissioner Gurr moved that factual allegations 36 through 40 have been proven. Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegations 41 through 48 have been proven. Seconded by Commissioner Barrett. Motion passed.

Commissioner Gurr moved that factual allegations 49 through 52 have been proven. Seconded by Commissioner Barrett. Motion passed.

Violations of Law

Commissioner Barrett moved that violations on lines 14 through 28 have been proven. Seconded by Commissioner Plummer. Motion passed.

Commissioner Barrett moved that violations on lines 1 through 12 on page 7 have been proved. Seconded by Commissioner Plummer. Motion passed.

Division's Recommendation for Discipline Case # 2019-6

Jan Holle presented this:

- \$110,000 administrative fine plus the cost of hearing and investigation in the amount of \$4,245.11 to be paid within 6 months of the effective date of the order.
- Revocation of all real estate licenses and property manager permits.

Division's Recommendation for Discipline Case # 2019-490

Jan Holle presented this:

- \$10,000 administrative fine plus the cost of hearing and investigation in the amount of \$2,041.51 to be paid within 6 months of the effective date of the order.
- Revocation of all real estate licenses and property manager permits.

President Reiss stated that he is in favor of the revocation of Ms. Schaeffer's licenses and permits.

Commissioner Gurr stated that as a broker, Ms. Schaeffer was not in control of company business records, requirements, and agents. Commissioner Gurr stated that she would have liked to see a better paper trail. Commissioner Gurr stated that the fines are excessive. Commissioner Gurr stated that she would like to see the fines reduced.

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Commissioner Filios stated that Ms. Schaeffer has surrendered the property manager permit. Commissioner Filios stated that if the license is revoked, Ms. Schaeffer will not be able to pay the fine and will lack the motivation to do so.

Commissioner Barrett stated that the amount of the fines should be higher and will not support reducing the fines. Commissioner Barrett stated that he supports the license and permit revocation. Commissioner Barrett stated that the public will see someone come from California, lose their license there then come here and do the same thing. Commissioner Barrett stated that Ms. Schaeffer should not have been able to get a license in Nevada.

Commissioner Plummer moved in Case # 2019-6 to accept the recommendation of the Division. Seconded by Commissioner Barrett. Motion passed 4-1 with Commissioner Gurr opposed.

Commissioner Plummer moved in Case # 2019-490 to accept the recommendation of the Division. Seconded by Commissioner Plummer. Motion passed.

7-C) NRED v Erik E. Peterson, for possible action **Case # 2018-208**

Parties Present

Erik Peterson was present.

Deputy Attorney General Dennis Belcourt was present representing the Division.

Preliminary Matters

Mr. Belcourt stated that a settlement had been reached. Mr. Belcourt read the settlement and the complaint into the record.

Settlement

➤ Respondent agrees to pay the Division \$1,417.90 as follows:

- \$709.95 within 90 days of the Commission's order approving the settlement.
- 11 equal installments of \$59.17 over 11 months, with the first installment due 120 days after the date of the Commission's order approving the settlement and each subsequent installment due 1 month after the previous installment date.
- \$59.08 due 1 month after the due date of the 11th installment payment.

Commissioner Barrett moved to accept the stipulation as presented. Seconded by Commissioner Plummer. Motion passed.

7-Q) NRED v Perry Lowe, for possible action **Case # 2018-1513**

Parties Present

Perry Lowe was present.

John Holiday was present representing Mr. Lowe.

Deputy Attorney General Dennis Belcourt was present representing the Division.

Preliminary Matters

Mr. Belcourt stated that Mr. Lowe would like to introduce evidence that was received this morning. Mr. Belcourt stated that he was in touch with Mr. Holiday a few months ago and several times over the last two months. Mr. Belcourt stated that he had not received any documentation until this morning. Mr. Belcourt stated that he objects to admitting the documents per Commission rules that documents be

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submitted 5 business days before the Commission meeting. Mr. Belcourt stated that the complaint may need to be amended based on the evidence received. Mr. Belcourt stated that he has no objection to granting a continuance.

Jan Holle, Chief Compliance Audit Investigator, stated that he objects to a continuance.

Mr. Holiday stated that Mr. Lowe had a difficult time getting records from his former employer in Arizona.

President Reiss stated that the hearing will move forward.

Opening Statements

Mr. Belcourt gave his opening statement.

Mr. Holiday gave his opening statement.

Mr. Holiday stated that he does not have all the State's exhibits that were provided. Mr. Holiday stated that they may have been sent to the law firm that he was previously associated with. Mr. Holiday requested the State's exhibits.

President Reiss stated that this case will be tabled to the next Real Estate Commission meeting to provide and review documents and amend the complaint if necessary.

7-J) NRED v Derek W. Markovic, for possible action Case #s 2019-190 & 2019-553

Parties Present

Derek Markovic was not present.

Deputy Attorney General Dennis Belcourt was present representing the Division.

Mr. Belcourt stated that the Division would submit that there was proper service upon Mr. Markovic.

State's Witness

Evelyn Pattee, Commission Coordinator, testified regarding service of complaint.

Commissioner Barrett moved that that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Plummer. Motion passed.

Mr. Belcourt read the factual allegations and violations of law into the record.

The Commissioned questioned Mr. Belcourt.

State's Witness

Daryl McCloskey, Compliance Audit Investigator, testified.

Commissioner Filios moved that the factual allegations and violations were proven. Seconded by Commissioner Barrett. Motion passed.

Division's Recommendation for Discipline Case # 2019-190

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Jan Holle presented this:

- \$20,000.00 administrative fine plus the cost of hearing and investigation in the amount of \$787.93 to be paid within 90 days of the effective date of the order.
- Revocation of all real estate licenses and property manager permits.

Division's Recommendation for Discipline Case # 2019-553

Jan Holle presented this:

- \$5,000.00 administrative fine plus the cost of hearing and investigation in the amount of \$817.93 to be paid within 90 days of the effective date of the order.

Commissioner Filios moved in Case# 2019-190, respondent be fined \$30,000.00 plus cost of hearing and investigation in the amount of \$787.93 payable within 90 days of the effective date of the order and revocation of all licenses and permits. Seconded by Commissioner Gurr. Motion passed.

Commissioner Filios moved in Case# 2019-553, respondent be fined \$10,000.00 plus cost of hearing and investigation in the amount of \$817.93. Seconded by Commissioner Gurr. Motion passed.

7-O) NRED v Kenneth Wicker, for possible action

Case # 2018-1433

Parties Present

Kenneth Wicker was not present.

Deputy Attorney General Karissa Neff was present representing the Division.

Ms. Neff stated that the Division would submit that there was proper service upon Mr. Wicker.

State's Witness

Evelyn Pattee, Commission Coordinator, testified regarding service of complaint.

Commissioner Barrett moved that that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Plummer. Motion passed.

Ms. Neff read the factual allegations and violations of law into the record.

Commissioner Gurr moved that the factual allegations and violations were proven. Seconded by Commissioner Plummer. Motion passed.

Division's Recommendation for Discipline

Jan Holle presented this:

- \$65,000.00 administrative fine plus the cost of hearing and investigation in the amount of \$1,266.16 to be paid within 90 days of the effective date of the order.
- Revocation of real estate license.

Commissioner Gurr moved to accept the recommendation of the Division. Seconded by Commissioner Plummer. Motion passed.

7-K) NRED v Ed Fraga, for possible action

Case # 2018-1343

Parties Present

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Ed Fraga was not present.

Deputy Attorney General Karissa Neff was present representing the Division.

Ms. Neff stated that the Division would submit that there was proper service upon Mr. Fraga.

State's Witness

Evelyn Pattee, Commission Coordinator, testified regarding service of complaint.

Commissioner Barrett moved that that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Plummer. Motion passed.

Ms. Neff read the factual allegations and violations of law into the record.

Commissioner Gurr moved that the factual allegations and violations were proven. Seconded by Commissioner Barrett. Motion passed.

Division's Recommendation for Discipline

Jan Holle presented this:

- \$5,000.00 administrative fine plus the cost of hearing and investigation in the amount of \$1,176.16 to be paid within 60 days of the effective date of the order.

Commissioner Gurr moved to accept the recommendation of the Division. Seconded by Commissioner Barrett. Motion passed.

7-L) NRED v Hillary Brown, for possible action **Case # 2018-1087**

Parties Present

Hillary Brown was not present.

Deputy Attorney General Dennis Belcourt was present representing the Division.

Mr. Belcourt stated that the Division would submit that there was proper service upon Ms. Brown.

State's Witness

Evelyn Pattee, Commission Coordinator, testified regarding service of complaint.

Commissioner Barrett moved that that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Plummer. Motion passed.

Mr. Belcourt read the factual allegations and violations of law into the record.

Commissioner Gurr moved that the factual allegations and violations were proven. Seconded by Commissioner Plummer. Motion passed.

Division's Recommendation for Discipline

Jan Holle presented this:

- \$5,000.00 administrative fine plus the cost of hearing and investigation in the amount of \$835.70 to be paid within 60 days of the effective date of the order.

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President Reiss stated that the State's exhibits would be admitted.

Commissioner Gurr moved that a fine of \$100,000.00 be imposed plus costs of \$835.70 to be paid within 60 days of the effective date of the order. Seconded by Commissioner Barrett. Motion passed 4-1 with President Reiss opposed.

8) Public Comment

No public comment.

9) For Possible Action: Adjournment

Meeting recessed at 4:55 p.m. on June 17, 2020.

**NEVADA REAL ESTATE COMMISSION
MINUTES**

VIA VIRTUAL MEETING

JUNE 18, 2020

9:00 AM

1-A) Introduction of Commissioners in Attendance

Lee Gurr, Elko County; Lee Barrett, Clark County; Devin Reiss, Clark County; Darrell Plummer, Washoe County and Spiridon Filios, Clark County
Commission Counsel: Deputy Attorney General Asheesh Bhalla

1-B) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager; Evelyn Pattee, Commission Coordinator; Jan Holle, Chief Compliance Audit Investigator; Annalyn Carrillo, Education & Information Officer; Kimberly Smith, Education Supervisor; Deputy Attorney Generals Dennis Belcourt and Karissa Neff.

2) Public Comment

No public comment.

7-P) NRED v Michael Soroudi, for possible action

Case # 2018-1105

Parties Present

Michael Soroudi was present.

Deputy Attorney General Dennis Belcourt was present representing the Division.

Preliminary Matters

Mr. Belcourt stated that Mr. Soroudi provided additional information that was requested. Mr. Belcourt stated that the matter will be re-examined based on the new information received. Mr. Belcourt requested a continuance until the next scheduled meeting to review the additional material. Mr. Belcourt stated that the Division does not object to the request.

President Reiss stated that the matter will be continued at a later hearing.

7-S) NRED v Noriko H. Hosoda, for possible action

Case # 2018-1281

Parties Present

Noriko Hosoda was not present.

Deputy Attorney General Dennis Belcourt was present representing the Division.

Mr. Belcourt stated that the Division would submit that there was proper service upon Ms. Hosoda.

State's Witness

Evelyn Pattee, Commission Coordinator, testified regarding service of complaint.

Commissioner Plummer moved that that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Gurr.
Motion passed.

Mr. Belcourt read the factual allegations and violations of law into the record.

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Commissioner Plummer moved that the factual allegations and violations were proven. Seconded by Commissioner Barrett. Motion passed.

Division's Recommendation for Discipline

Jan Holle presented this:

- \$40,000.00 administrative fine plus the cost of hearing and investigation in the amount of \$1,881.86 to be paid within 90 days of the effective date of the order.
- Revocation of all real estate licenses and property manager permits.

Commissioner Gurr moved that a fine of \$40,000.00 be imposed plus costs of \$1,881.86 to be paid within 90 days of the effective date of order and revocation of all licenses and permits. Respondent may not re-apply for a license or permit for a period of at least five years. Seconded by Commissioner Barrett. Motion passed.

3-H) Discussion and presentation provided by Jack Lindberg on cyber security regarding real estate licensees.

Jack Lindberg made this presentation with Detective Grace and provided the Commission with a handout. Mr. Lindberg asked if cyber security was going to be a subject grouped within several subjects of a required area or if cyber security would be an individual class. Mr. Lindberg stated that cyber security should be part of the pathway to licensing for every licensee because of the far reach of technology within every part of a real estate transaction.

Teralyn Lewis stated that the Commission determined that cyber security will be part of Risk Reduction designation but called Information Security.

Mr. Lindberg asked the Commission to think about technology safety training being a required part for every licensee and that when writing these courses, that it not solely be placed on the Division. Mr. Lindberg stated that a committee could be formed of those who are versed in the subject of cyber security who could set the initial standards for this class so it meets basic standards of safety for licensees and how they practice.

Sharath Chandra stated that Mr. Lindberg should submit his ideas for content to the Division.

3-B) Discussion regarding the Disciplinary Report.

Teralyn Lewis presented this report. Ms. Lewis provided the Commission with a written report.

3-C) Discussion regarding the Compliance Section's current caseload report, including a Summary of recent topics of complaints filed.

Jan Holle presented this report. Mr. Holle provided the Commission with a written report and summarized.

3-D) Discussion regarding the Administrative Sanction Report.

Jan Holle presented this report. Mr. Holle provided the Commission with a written report and summarized.

3-E-3) Discussion regarding Continuing Education Supervisor's reports on continuing education and post education roster upload submittals issues.

Kimberly Smith presented this report. Ms. Smith reported on roster uploads for continuing education:

- March 2020, there were 1,048 roster uploads.
- April 2020, there were 1,185 roster uploads.
- May 2020, there were 1,078 roster uploads.

Ms. Smith reported on roster uploads for post-licensing education:

- March 2020, there were 107 uploads.

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- April 2020, there were 130 post uploads.
- May 2020, there were 63 post uploads.

3-E-1) Discussion regarding Continuing Education Supervisor's reports on continuing education Course audit program report.

Kimberly Smith stated that there were no audits to submit.

3-A) Discussion regarding Administrator's report.

Sharath Chandra presented this report. Mr. Chandra stated that the 2020 fiscal year ends June 30 and revenue has been significantly impacted by the pandemic. Mr. Chandra stated that there have been some immediate budget cuts to insure meeting the revenue expenditure budgeting requirements. Mr. Chandra stated that the Division is funded through the general fund which is most significantly impacted when there are budget issues.

Mr. Chandra stated that the Deputy Administrator position was eliminated. Mr. Chandra stated that there are vacant positions within the Division that are frozen.

Mr. Chandra stated that budget for 2021 has been submitted. Mr. Chandra stated that there has been discussion, industry wide, about moving the Division to a self-funding module which is even more important now in this crisis.

Mr. Chandra stated that there are a couple Commissions under review by the Sunset Subcommittee. Mr. Chandra stated that the Real Estate Commission is one of the most well run and well managed Commissions which is a compliment to the Commissioners.

Mr. Chandra stated that the Division is operating under the March 12, 2020 emergency declaration. Mr. Chandra stated that any guidance the Division has issued, has been issued under the emergency declaration umbrella.

Mr. Chandra stated that there is a budget component to Commission meetings so virtual meetings will be the format for the foreseeable future.

3-I) Discussion regarding the use of online cloud-based peer-to-peer software platforms to conduct Division approved continuing education courses.

Sharath Chandra reported on online education concerns. Mr. Chandra stated that while the emergency declaration is in place, the requirement to use the online platform will continue. Mr. Chandra stated that once the declaration is removed, there may a temporary ability for the Division to extend it. Mr. Chandra stated that he wants to bring it to Commission for discussion on how to move forward once the emergency declaration is lifted. Mr. Chandra stated that this topic will be placed on the next meeting agenda.

3-F) Discussion regarding changes to the Real Estate Division Waiver Form No. 636 and Authorization to Negotiate Directly with Seller Form No. 637.

3-G) Discussion regarding Duties Owed by a Nevada Real Estate Licensee Form No. 525.

Sharath Chandra stated that in previous discussion, there was mention of forming a committee to review these items. Mr. Chandra stated that he prefers to leave this on the agenda as an ongoing item to revisit.

3-J) For possible action: Discussion and decision to approve minutes of the March 10-11, 2020 meeting.

Commissioner Gurr moved to approve the minutes as presented. Seconded by Commissioner Plummer. Motion passed.

8) Public Comment

**NEVADA REAL ESTATE COMMISSION
MINUTES**

Tiffany Banks, general counsel for Nevada Association of Realtors, thanked Administrator Chandra for his hard work in making sure their members are getting the same information that is put out to all the licensees. Ms. Banks gave a special thanks to Mr. Chandra and Jan Holle.

9) For Possible Action: Adjournment

Meeting adjourned at 10:50 a.m. on June 18, 2020.