

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,

7 Petitioner,

8 vs.

9 ANTHONY WILHAM,

10 Respondent.

Case No. 2018-815

**FILED**

MAY 15 2020

REAL ESTATE COMMISSION

BY *Evelyn Patten*

11 **COMPLAINT AND NOTICE OF HEARING**

12 The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY  
13 OF THE STATE OF NEVADA ("Division") hereby notifies ANTHONY WILHAM  
14 ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE  
15 COMMISSION ("Commission"). The hearing will be held pursuant to Chapters 233B and Chapter 645  
16 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative Code ("NAC").  
17 The purpose of the hearing is to consider the allegations stated below and to determine if the  
18 RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or NRS  
19 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

20 **JURISDICTION**

21 RESPONDENT at all relevant times mentioned in this Complaint was licensed by the Division  
22 as a salesperson. He is therefore subject to the jurisdiction of the Division and the Commission and the  
23 provisions of NRS chapter 645 and NAC chapter 645.

24 **FACTUAL ALLEGATIONS**

25 1. RESPONDENT has been, and as of the date of this complaint, is currently licensed by the  
26 Division as a salesperson under license number S.0068238, issued on November 5, 2005, said license  
27 being active.

28 2. RESPONDENT now holds a property manager permit, said permit being issued on August 22,  
2018, which is currently active.

1 3. On or around June 12, 2018, Amy Groves, a licensee with the Division (“Complainant”), filed a  
2 complaint with the Division against RESPONDENT.

3 4. In her complaint, Complainant stated that in April of 2018, she and her husband were purchasing  
4 a home located at 3690 E. Oquendo in Las Vegas, NV (the “Property”).

5 5. RESPONDENT was the listing agent for the Property.

6 6. Complainant stated that she quickly realized the Property was being used for short-term rentals.

7 7. Complainant stated that the website 777rentals.com was on RESPONDENT’s emails during the  
8 transaction and that RESPONDENT was acting as a leasing agent for several other homes doing short-  
9 term rentals.

10 8. RESPONDENT was using the business entity Wilham Vacation Homes LLC d/b/a/  
11 777Rentals.com (the “Company”) to conduct his short-term rental business.

12 9. Complainant stated in her complaint to the Division, that at the time of her dealings with  
13 RESPONDENT, he did not hold a permit from the Division to be a property manager.

14 10. Complainant stated that she had to push back the closing date on the Property because  
15 RESPONDENT had booked people to rent the Property.

16 11. Complainant also stated that on the day of the Property’s closing, Clark County recorded a lien  
17 on the Property in the amount of \$7,000 dollars, representing a fine issued to the owner for conducting  
18 illegal short-term rentals.

19 12. James Cerrone (“Cerrone”) was RESPONDENT’s broker at the time of the sale of the Property  
20 to Complainant and provided an Affidavit to the Division (“Affidavit”) regarding the Division’s  
21 investigation.

22 13. In his Affidavit, Cerrone stated Complainant’s complaint with the Division arose from alleged  
23 defects discovered by the Complainant after the sale of the Property closed, that RESPONDENT’s short-  
24 term rental business complied with all City and County regulations, that RESPONDENT’s Company  
25 operated outside his brokerage, and that RESPONDENT disclosed to all of his clients that he was a  
26 Nevada licensee.

27 14. Cerrone sent subsequent correspondence to the Division explaining that the statements made in  
28 his Affidavit were based on RESPONDENT’s representations to him that RESPONDENT *owned* the

1 properties he was using to conduct short-term rentals and that had he known that RESPONDENT did not  
2 own the properties he was renting to the public, he would have advised RESPONDENT that he was  
3 conducting property management without having the proper permit from the Division.

4 15. RESPONDENT provided a response to the Division.

5 16. In his response to the Division, RESPONDENT stated Complainant's filing a complaint with the  
6 Division arose from alleged defects Complainant claims to have discovered with the Property after the  
7 sale closed, and that Complainant filed the complaint with the Division to harm him as a result.

8 17. Regarding the operation of his Company, Complainant stated that when he was conducting short-  
9 term leases, he would lease the properties from his clients, sub-lease the properties for short-term rentals,  
10 collect the rental income, and pay a portion of the rental income to the owners.

11 18. In his response to the Division, RESPONDENT did not deny that his Company was advertising  
12 and marketing short-term leases of other owner's properties in exchange for a commission while not  
13 holding a property management permit.

14 19. RESPONDENT did not dispute that Clark County recorded a lien on the Property the day of the  
15 Property's closing due to Clark County fining the Property owner for using it for short-term rentals.

16 20. On July 11, 2018, the Division issued RESPONDENT a Cease and Desist Order, ordering that  
17 RESPONDENT no longer engage in any form of advertising, leasing, or managing property because  
18 RESPONDENT did not hold a property manager permit from the Division.

19 21. During its investigation, the Division printed a copy of RESPONDENT's Company's website  
20 showing several separate properties listed for rent, ranging from \$149 dollars to \$5,999 dollars per night.

21 22. RESPONDENT's website on June 19, 2018 also stated, "This is now a listing site for homeowners  
22 (like Homeaway, AirB&B etc.) Submit an inquiry to communicate directly with an owner regarding the  
23 rental of any home listed below."

24 23. During the transaction for Complainant's purchase of the Property, RESPONDENT provided  
25 Complainant with a marketing agreement for the Property.

26 24. That marketing agreement stated, "RESPONDENT'S COMPANY agrees to market the house at  
27 a rate of 25 % of all rental revenue generated by 777Rental."

28 25. The rental agreement also stated that the property owners, "agree to lease the home to us as

1 needed. All proceeds, less the commission and any expenses (if paid for by 777Rentals), will be paid to  
2 the property owner after each rental.”

3 26. RESPONDENT provided the Division with another marketing agreement, stating that the first  
4 \$1,000 dollars of the rental income would go to the Company to defray initial startup costs.

5 27. With respect to properties that had property management agreements, RESPONDENT failed to  
6 prominently list the broker’s information.

7 28. RESPONDENT did not have property management agreements for several of the properties he  
8 was advertising through his company that were on his Company’s website as of September 14, 2018.

9 29. On September 19, 2017, the Division properly notified RESPONDENT it was filing a complaint  
10 for disciplinary action against him before the Nevada Real Estate Commission.

11 **VIOLATIONS**

12 30. RESPONDENT violated NRS 645.230(1)(b) by leasing/renting properties for his property owner  
13 client through his COMPANY between 2005 and August of 2018 without having a property management  
14 permit from the Division.

15 31. RESPONDENT violated NRS 645.235(1)(a) and/or (b) 20 times when RESPONDENT  
16 advertised 20 different properties for rent and/or leasing on his COMPANY’s website between June 12,  
17 2018 and July 19, 2018 without having a property management permit.

18 32. RESPONDENT violated NRS 645.252(1)(c) in executing rental marketing agreements and rental  
19 agreements where he failed to disclose he was a Nevada Real Estate licensee.

20 33. RESPONDENT violated NRS 645.630(1)(c) 15 times by collecting approximately \$19,134.00 in  
21 commissions from leasing and/or renting properties through his Company.

22 34. RESPONDENT violated NAC 645.610(1)(c) and (e) because his COMPANY’s website did not  
23 have his broker’s information listed prominently when he advertised properties under management  
24 agreements with his broker.

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1 **DISCIPLINE AUTHORIZED**

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

5 2. Additionally, under NRS Chapter 622, the Commission is authorized to impose costs  
6 of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the  
7 Commission otherwise imposes discipline on RESPONDENT.

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

10 **NOTICE OF HEARING**

11 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the  
12 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and  
13 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

14 **THE HEARING WILL TAKE PLACE on June 16, 2020 commencing at 9:00 a.m., or as**  
15 **soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing**  
16 **at 9:00 a.m. through June 18, 2020, or earlier if the business of the Commission is concluded. The**  
17 **Commission meeting will be held on June 16, 2020, at the Nevada State Business Center, 3300 West**  
18 **Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102. The meeting will continue**  
19 **on June 17, 2020, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor –**  
20 **Nevada Room, Las Vegas, Nevada 89102, commencing at 9:00 a.m., and on June 18, 2020, should**  
21 **business not be concluded, starting at 9:00 a.m. at the Nevada State Business Center, 3300 West**  
22 **Sahara Avenue, 4th Floor – Tahoe Room, Las Vegas, Nevada 89102.**

23 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**  
24 **time as part of a regular meeting of the Commission that is expected to last from June 16, 2020,**  
25 **through June 18, 2020, or earlier if the business of the Commission is concluded. Thus, your**  
26 **hearing may be continued until later in the day or from day to day. It is your responsibility to be**  
27 **present when your case is called. If you are not present when your hearing is called, a default may**  
28 **be entered against you and the Commission may decide the case as if all allegations in the complaint**

1 were true. If you have any questions please call Evelyn Pattee, Commission Coordinator (702) 486-  
2 4074.

3 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open  
4 meeting under Nevada's open meeting law, and may be attended by the public. After the evidence and  
5 arguments, the commission may conduct a closed meeting to discuss your alleged misconduct or  
6 professional competence. You are entitled to a copy of the transcript of the open and closed portions of  
7 the meeting, although you must pay for the transcription.

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

14 You have the right to request that the Commission issue subpoenas to compel witnesses to testify  
15 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate  
16 the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in  
17 NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.875.

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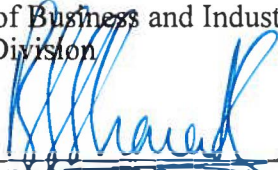
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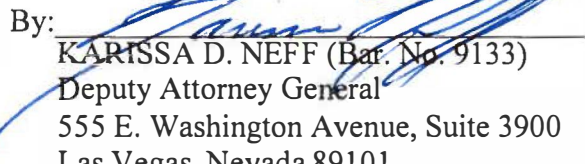
1 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC  
2 645 and if the allegations contained herein are substantially proven by the evidence presented and  
3 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,  
4 pursuant to NRS 645.235, 645.633 and or 645.630.

5 DATED this 8<sup>th</sup> day of May, 2020.

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

9 By:   
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13 AARON D. FORD  
14 Attorney General

15 By:   
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