

1 **BEFORE THE REAL ESTATE COMMISSION**

2 **STATE OF NEVADA**

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

Case No. 2018-48

Petitioner,

**COMPLAINT AND NOTICE OF  
HEARING**

vs.

**FILED**

8 BLAKE WILLIAMS,

JUL 28 2020

Respondent.

REAL ESTATE COMMISSION

BY *Evelyn Tattell*

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

21 **JURISDICTION**

22 RESPONDENT is a licensed salesperson under license S.0177312. RESPONDENT  
23 engaged in activities, which require a license as a real estate broker, real estate broker-  
24 salesperson, or real estate salesperson, and/or a permit to engage in property management,  
25 issued by the Division, and is, therefore, subject to the jurisdiction of the Division and the  
26 Commission, and the provisions of NRS and NAC 645.

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2 **PROCEDURAL HISTORY**

3 1. RESPONDENT is currently an agent affiliated with Ryder Homes Realty, Inc.  
4 (“Ryder”) brokerage.

5 2. On or about January 8, 2018, the Division received a statement of fact  
6 (“complaint”) complaining that the buyer’s side representation provided by RESPONDENT  
7 while he was an agent affiliated with J.E. Johns and Associates brokerage.

8 3. The complaint filed against RESPONDENT alleged that he misguided the  
9 buyers of Cascade Falls by providing them a key to the property prior to closing,  
10 recommending that the buyers put the Cascade Fall’s utilities in their name and install an  
11 alarm system, and by misinforming the buyers regarding payoff of the second lienholder  
12 involved in the short-sale transaction.

13 4. On or about January 11, 2018, the Division sent an investigation-opening  
14 letter to RESPONDENT, which required RESPONDENT to provide a sworn statement  
15 responding to the complaint involving the property at 10092 Cascade Falls Drive, Reno, NV  
16 89521 (“Cascade Falls”).

17 5. On or about January 11, 2018, the Division also sent an investigation-opening  
18 letter to RESPONDENT’s then broker of record, Amina Marie Johns, of J.E. Johns and  
19 Associates, which required RESPONDENT’s broker to produce a sworn affidavit and  
20 complete copy of the broker’s transaction file for Cascade Falls.

21 6. On or about January 29, 2018, the Division received the RESPONDENT’s  
22 sworn affidavit and brokerage file for the transaction involving Cascade Falls.

23 7. On or about May 15, 2018, the Division sent RESPONDENT an NRS 233B  
24 letter indicating that the Division’s investigation had obtained sufficient evidence to  
25 commence disciplinary action by filing a complaint with the Nevada Real Estate  
26 Commission (“Commission”).

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1 **FACTUAL ALLEGATIONS**

2 1. RESPONDENT is a licensed salesperson under license S.0177312.

3 2. On or about May 30, 2015, the seller of Cascade Falls filed a chapter 13  
4 bankruptcy petition.

5 3. The seller's chapter 13 bankruptcy plan identified the Cascade Falls property  
6 as surrendered collateral, which was a requirement, to be surrendered to the identified  
7 creditors upon confirmation of the chapter 13 plan by the bankruptcy court.

8 4. On or about August 20, 2015, the bankruptcy court issued its order confirming  
9 the chapter 13 plan filed by the seller of Cascade Falls.

10 5. On or about June 1, 2016, an Exclusive Right to Sell Agreement was executed  
11 by the seller of Cascade Falls in favor of High Sierra Realty, LLC as the listing brokerage  
12 office with A.J. Johnson identified as the licensee.

13 6. RESPONDENT lacked competency in short sale transactions for real property  
14 involved in a chapter 13 bankruptcy and failed to advise his clients to seek expert advice  
15 regarding the same.

16 7. On or about June 1, 2016, RESPONDENT, acting as the buyer's agent,  
17 submitted a Residential Offer and Acceptance Agreement ("Offer") for Cascade Falls, in the  
18 amount of \$225,000.00, the seller accepted the offer.

19 8. The June 1, 2016, Offer contained a Short-Sale Addendum signed by the  
20 buyers, which contained a provision entitled "No Guarantee of Lien Holder(s) Approval."

21 9. A Duties Owed form identifying the RESPONDENT as the licensee, was  
22 signed by the buyers on June 1, 2016.

23 10. On or about June 2, 2016, RESPONDENT communicated to the buyers via  
24 text message that:

25 There are 2 lenders, But the second doesn't really matter as once  
26 the 1st accepts a price, the 2<sup>nd</sup> has to take \$6k or nothing. But I  
27 still have to communicate with the second. But not that often.  
28 Once we strike gold with the 1st, the second has to follow. LOL.  
☺[.]”

1           11.   RESPONDENT lacked competency in the area of short sales involving second  
2   lien holders and failed to instruct the buyers to seek the assistance of an expert.

3           12.   On or about January 22, 2017, the RESPONDENT communicated to the  
4   buyers via text message that:

5                   The seller would like to turn off all utilities. I said before u do  
6                   that let me touch base with the buyers. (Frozen pipe wise) Would  
7                   you like to: A. have her leave it all on, and agree to pay whatever  
8                   the utilities are up to change of service for u guys? B. have her  
                  shut it all off. C. call the utilities and have them put them in ur  
                  name now and keep all utilities on.

9           13.   RESPONDENT's clients, the prospective buyer of Cascade Falls, assumed  
10   responsibilities for the property's utilities.

11          14.   RESPONDENT encouraged the buyers to install an alarm system at Cascade  
12   Falls.

13          15.   In RESPONDENT's affidavit response to the Division dated January 26, 2018,  
14   he admits that he made a copy of the key for Cascade Falls and provided it to the buyers so  
15   they "could let the alarm company install an alarm system."

16          16.   RESPONDENT did not have permission from the seller to allow the  
17   installation of an alarm system.

18          17.   On or about December 14, 2016, the buyers and seller of Cascade Falls  
19   executed Addendum #1 to the, which specified that the close of escrow was to take place on  
20   January 30, 2017 and the sales price was to be \$290,000.

21          18.   On or about January 11, 2017, the buyers and seller of Cascade Falls executed  
22   Addendum #3, which pushed the close of escrow to March 31, 2017, and had the buyers  
23   assume all HOA transfer fees and HOA buy-in fees.

24          19.   On or about February 28, 2017, and again on March 2, 2017, RESPONDENT  
25   presented the buyers with the option of paying the second lien holder on Cascade Falls  
26   outside of the short sale transaction.

27          20.   On or about May 1, 2017, RESPONDENT offered to cover the costs incurred  
28   by the buyers arising from the alarm, utilities, and appraisal.

1           21.   RESPONDENT has not provided evidence of reimbursement to the buyers.

2           22.   On or about May 10, 2017, the buyers executed Cancellation Instructions and  
3 an Addendum #A for Cascade Falls.

4           23.   In RESPONDENT's January 26, 2018, Affidavit Response to the Division's  
5 investigator, he denied recommending that the buyers place the utilities for Cascade Falls  
6 in their names.

7           24.   In RESPONDENT's January 26, 2018, Affidavit Response to the Division's  
8 investigator, he denied that he recommended the buyers install an alarm system at  
9 Cascade Falls.

10   **VIOLATIONS ALLEGED**

11           RESPONDENT has committed the following violations of law:

12           1.    RESPONDENT violated NRS 645.254(6) by failing to advise his clients, the  
13 buyers of Cascade Falls, to obtain advice from an expert relating to all options available to  
14 the second lien holder.

15           2.    RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(1)  
16 and/or NRS 645.3205 for dealing with a party to a real estate transaction in a manner,  
17 which is deceitful, fraudulent or dishonest, by suggesting the Complainant settle with the  
18 second lien holder of Cascade Falls outside of the transaction.

19           3.    RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(1) for  
20 gross negligence or incompetence when he duplicated a key to Cascade Falls and provided  
21 it to the buyers prior to the closing of escrow.

22           4.    RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(11)(c)  
23 for supplying false information to a Division investigator in his affidavit response dated  
24 January 26, 2018.

25   **DISCIPLINE AUTHORIZED**

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



1 If Emergency Directive 006 is not extended and the meeting is held in person, then the  
2 meeting will be located at the following locations:

3 Nevada State Business Center  
4 Real Estate Division  
5 3300 West Sahara Avenue, Suite 350  
6 Las Vegas, NV 89102

7 If you would like an email containing this information, before the hearing, please  
8 contact Evelyn Pattee, Commission Coordinator, at (702) 486-4074 or [epattee@red.nv.gov](mailto:epattee@red.nv.gov).

9 **STACKED CALENDAR:** Your hearing is one of several hearings scheduled  
10 at the same time as part of a regular meeting of the Commission that is expected  
11 to last from September 1st through September 3, 2020, but may end earlier if the  
12 business of the Commission is concluded. Thus, your hearing may be continued  
13 until later in the day or from day to day. It is your responsibility to be present  
14 when your case is called. If you are not present when your hearing is called, a  
15 default may be entered against you and the Commission may decide the case as  
16 if all allegations in the complaint were true. If you have any questions please call  
17 Evelyn Pattee Commission Coordinator (702) 486-4074.

18 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an  
19 open meeting under Nevada's Open Meeting Law (OML), and may be attended by the  
20 public. After the evidence and arguments, the commission may conduct a closed meeting  
21 to discuss your alleged misconduct or professional competence. You are entitled to a copy  
22 of the transcript of the open and closed portions of the meeting, although you must pay for  
23 the transcription.

24 As the RESPONDENT you are specifically informed that, you have the right to appear and  
25 be heard in your defense, either personally or through your counsel of choice. At the  
26 hearing, the Division has the burden of proving the allegations in the complaint and will  
27 call witnesses and present evidence against you. You have the right to respond and to  
28 present relevant evidence and argument on all issues involved. You have the right to call

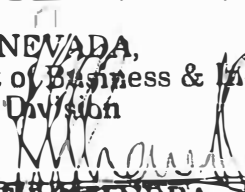
1 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any  
2 matter relevant to the issues involved.

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

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


12  
13 DATED this 27 day of July, 2020.

14 STATE OF NEVADA,  
15 Department of Business & Industry  
Real Estate Division

16 By:   
17 SHARAT LANDRA  
18 Administrator  
3300 W. Sahara Avenue, Ste. 35  
Las Vegas, Nevada 89102

DATED this 23<sup>rd</sup> day of July, 2020.

AARON D. FORD  
Attorney General

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