

FILED

BEFORE THE REAL ESTATE COMMISSION

MAR 28 2016

STATE OF NEVADA

REAL ESTATE COMMISSION
BY *Rubén Hernández*

GAIL J. ANDERSON, Administrator,
REAL ESTATE DIVISION, DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Case No. RE 13-06-05-344

Petitioner,

vs.

**ORDER APPROVING STIPULATION FOR
SETTLEMENT OF DISCIPLINARY ACTION**

MICHAEL A. VANNOZZI,

Respondent.

The Stipulation for Settlement of Disciplinary Action having come before Nevada Real Estate Commission (Commission) on March 26, 2014, and the Commission being fully apprised in the premises, and good cause appearing to the Commission,

IT IS HEREBY ORDERED that the Stipulation for Settlement of Disciplinary Action, attached hereto as **Exhibit "A"** and incorporated herein, be and is hereby approved.

The Stipulation was effective March 26, 2014, the day it was approved by the Commission.

DATED this 16th day of MARCH, 2016.

NEVADA REAL ESTATE COMMISSION

By: *Yayma Garcia*

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EXHIBIT “A”

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MAR 28 2016

REAL ESTATE COMMISSION

[Signature]

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

GAIL J. ANDERSON, Administrator,
REAL ESTATE DIVISION, DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Case No. RE 13-06-05-344

Petitioner,

vs.

**STIPULATION FOR SETTLEMENT
OF DISCIPLINARY ACTION**

MICHAEL A. VANNOZZI,

Respondent.

This Stipulation for Settlement of Disciplinary Action (Stipulation) is entered into between the Petitioner, State of Nevada, Department of Business and Industry, Real Estate Division (Division), through its Administrator, Gail J. Anderson, and Respondent, MICHAEL A. VANNOZZI ("Respondent" or "VANNOZZI").

JURISDICTION

1. Respondent stipulates and agrees that he was at all relevant times, licensed in Nevada by the Division as alleged in the Complaint. Respondent agrees that he is subject to Nevada Revised Statutes (NRS) Chapter 645 and Nevada Administrative Code (NAC) Chapter 645 and to the jurisdiction of the Division and the Commission.

SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT AND

ALLEGATIONS OF RESPONDENT

2. At all times relevant hereto, RESPONDENT VANNOZZI was the broker for Vegas One Realty.

3. At all times relevant hereto, Ronda Matthews-Wolfe, was a broker salesperson and the designated property manager with Vegas One Realty.

4. At all times relevant hereto, Ms. Matthews-Wolfe's son, David J. Johnson, also a licensed salesperson and property manager worked at Vegas One Realty.

5. Prior to hiring Ms. Matthews-Wolfe, Vegas One Realty did not conduct property management.

Attorney General's Office
555 E. Washington, Suite 3900
Las Vegas, NV 89101

1 6. Both Michael Vannozzi and Ronda Matthews-Wolfe were signors on the
2 property management security deposit trust account and the property management operating
3 trust account.

4 7. David J. Johnson converted client trust account funds for his own personal use
5 on or about April 23, 2012 by depositing a \$1,000 check from the Vegas One Realty Security
6 Deposit trust account into his personal account.

7 8. David J. Johnson converted client trust account funds for his own personal use
8 on or about August 16, 2012 by depositing a \$1,500 check from the Vegas One Realty
9 Security Deposit trust account into his personal account.

10 9. David J. Johnson converted client trust account funds for his own personal use
11 on or about September 26, 2012 by depositing a \$5,000 check from the Vegas One Realty
12 Security Deposit trust account into his personal account.

13 10. David J. Johnson converted client trust account funds for his own personal use
14 on or about November 14, 2012 by depositing a \$1,400 check from the Vegas One Realty
15 Security Deposit trust account into his personal account.

16 11. David J. Johnson admits that he removed \$8,900 from the security deposit trust
17 account for himself.

18 12. David J. Johnson also used Ms. Matthews-Wolfe's signature stamp on checks
19 written from the operating trust account to owners whose properties were vacant between
20 March and July 2013.

21 13. Ms. Matthews-Wolfe deposited approximately \$25,000 of her own money into
22 the trust accounts to replace the missing funds.

23 14. RESPONDENT failed to adequately supervise his agents.

24 15. When RESPONDENT became aware of the above wrongdoing, he reported the
25 misconduct to the Division.

26 16. During the time of the wrongdoing, RESPONDENT received falsified records
27 indicating that the transactions were normal business expenses.

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SUMMARY OF ALLEGED VIOLATIONS OF LAW

17. RESPONDENT violated NAC 645.600(1) by failing to supervise the activities of his agents.

18. RESPONDENT violated NAC 645.600(2)(d) by failing to supervise the handling of the property management security deposit and operating trust accounts.

19. RESPONDENT violated NRS 645.633(1)(i) by committing conduct which constitutes deceitful, fraudulent or dishonest dealing pursuant to NAC 645.605(1) by failing to do his utmost to protect the public against fraud, misrepresentation or unethical practices related to real estate.

DISCIPLINE AUTHORIZED

20. For each violation of NRS 645 and/or NAC 645, the Commission is empowered to impose an administrative fine of not more than \$10,000.00 per violation. For each violation of NRS 645 and/or NAC 645, the Commission is also empowered to suspend, revoke or place conditions on the license of Respondent. Pursuant to NRS 622.400, the Commission is authorized to impose the costs of this proceeding upon the Respondent, including investigative costs and attorney's fees.

SETTLEMENT

21. The Division was prepared to present its case based upon the Complaint filed with the Commission and the Respondent was prepared to defend against the Complaint.

22. Respondent does not admit to the facts and violations of law as alleged in the Complaint. The Parties desire to compromise and settle the instant controversy upon the following terms and conditions.

23. Respondent has downgraded his license from broker to broker-salesperson on November 13, 201~~7~~³. Respondent agrees not to apply for a broker's license for 2 years from the date of the Commission's Order Approving Stipulation.

24. Respondent agrees not to apply for a property management permit for 5 years from the date of the Commission's Order Approving Stipulation.

25. Respondent agrees to pay to the Division \$1,000 in an administrative fine within

1 30 days of the date of the Commission's Order Approving Stipulation.

2 26. No grace period is permitted. If payment is not actually received by the Division
3 on or before its due date it shall be construed as an event of default by the Respondent.

4 27. In the event of default, Respondent agrees that his license shall be immediately
5 suspended, the unpaid balance of the administrative fine shall become immediately
6 accelerated, and the unpaid balance, shall be due in full to the Division within ten calendar
7 days of the date of default. Respondent agrees that the suspension of his license shall
8 continue until the unpaid balance is paid in full. Further, debt collection actions for unpaid
9 monetary assessments in this case may be instituted by the Division.

10 28. Respondent agrees to attend six hours of real estate broker management
11 designated courses, to be completed within six months of the date of the Commission's Order
12 Approving Stipulation. The hours must be live education and will not count towards
13 Respondent's continuing education requirements. Respondent agrees that his license shall be
14 immediately suspended if he fails to timely attend and complete the above continuing education.
15 Respondent agrees that the suspension of his license shall continue until the continuing
16 education is completed.

17 29. The Division agrees not to pursue any other or greater remedies or fines in
18 connection with Respondent's alleged conduct referenced herein.

19 30. Respondent and the Division agree that by entering into this Stipulation, the
20 Division does not concede any defense or mitigation Respondent may assert and that once
21 this Stipulation is approved and fully performed, the Division will close its file in this matter.

22 31. Respondent agrees that if the administrative fine is not paid within the time
23 period set forth hereinabove, or the continuing education is not timely completed, the Division
24 may, at its option, rescind this Stipulation and proceed with prosecuting the Complaint before
25 the Commission.

26 32. Respondent agrees and understands that by entering into this Stipulation,
27 Respondent is waiving his right to a hearing at which Respondent may present evidence in his
28 defense, his right to a written decision including findings of fact and conclusions of law on the

1 merits of the complaint, his rights to reconsideration and/or rehearing, appeal and/or judicial
2 review, and all other rights which may be accorded by the Nevada Administrative Procedure
3 Act, the Nevada Real Estate Brokers and Salespersons statutes and accompanying
4 regulations, and the federal and state constitutions. Respondent understands that this
5 Agreement and other documentation may be subject to public records laws. The Commission
6 members who review this matter for approval of this Stipulation may be the same members
7 who ultimately hear, consider and decide the Complaint if this Stipulation is either not
8 approved by the Commission or is not timely performed by Respondent. Respondent fully
9 understands that he has the right to be represented by legal counsel in this matter at his own
10 expense.

11 33. Each party shall bear its own attorney's fees and costs.

12 34. Stipulation is Not Evidence. Neither this Stipulation nor any statements made
13 concerning this Stipulation may be discussed or introduced into evidence at any hearing on
14 the Complaint, if the Division must ultimately present its case based on the Complaint filed in
15 this matter.

16 35. Approval of Stipulation. Once executed, this Stipulation will be filed with the
17 Commission and will be placed on the agenda for approval at its March 2014 public meeting.
18 The Division will recommend to the Commission approval of the Stipulation. Respondent
19 agrees that the Commission may approve, reject, or suggest amendments to this Stipulation
20 that must be accepted or rejected by Respondent before any amendment is effective.

21 36. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests
22 amendments unacceptable to Respondent, Respondent may withdraw from this Stipulation
23 and the Division may pursue its Complaint before the Commission at the Commission's next
24 regular public meeting.

25 37. Release. In consideration of execution of this Stipulation, the Respondent for
26 himself or herself, his or her heirs, executors, administrators, successors, and assigns, hereby
27 release, remise, and forever discharge the State of Nevada, the Department of Business and
28 Industry and the Division, and each of their respective members, agents, employees and

1 counsel in their individual and representative capacities, from any and all manner of actions,
2 causes of action, suits, debts, judgments, executions, claims, and demands whatsoever,
3 known and unknown, in law or equity, that the Respondent ever had, now has, may have, or
4 claim to have, against any or all of the persons or entities named in this section, arising out of
5 or by reason of the Division's investigation, this disciplinary action, and all other matters
6 relating thereto.

7 38. Indemnification. Respondent hereby indemnifies and holds harmless the State
8 of Nevada, the Department of Business and Industry, the Division, and each of their
9 respective members, agents, employees and counsel in their individual and representative
10 capacities against any and all claims, suits, and actions brought against said persons and/or
11 entities by reason of the Division's investigation, this disciplinary action and all other matters
12 relating thereto, and against any and all expenses, damages, and costs, including court costs
13 and attorney fees, which may be sustained by the persons and/or entities named in this
14 section as a result of said claims, suits, and actions.

15 39. Respondent has signed and dated this Stipulation only after reading and

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understanding all terms herein.

Dated: _____

By: 
MICHAEL A. VANNOZZI, Respondent

Dated: 3-26-14


State of Nevada
Department of Business and Industry
Real Estate Division

By: 
Gail J. Anderson, Administrator


Approved as to form:

Dated: 3-26-14

CATHERINE CORTEZ MASTO
Attorney General

By: 
Kimberly A. Arguello
Senior Deputy Attorney General
Attorney for the Real Estate Division

The Law Office of Eric Earley, Ltd.

By: 
Yvette Chevalier
Attorney for Respondent