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BY LESTATE COMMISSION

BEFORE THE REAL ESTATE COMMISSION STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA,

Case No. 2015-2622

Petitioner,

VS.

JOHN PALMER,

Respondent.

COMPLAINT AND NOTICE OF HEARING

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel, Adam Paul Laxalt, Attorney General of the State of Nevada, and Donald J. Bordelove, Deputy Attorney General, hereby notifies RESPONDENT JOHN PALMER ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION. The hearing will be held pursuant to Chapters 233B and Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT engaged in activities which require a license as a real estate broker, real estate broker-salesperson, or real estate salesperson, and a permit to engage in property management, issued by the Division and is, therefore, subject to the jurisdiction of the Division and the provisions of NRS and NAC 645.

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FACTUAL ALLEGATIONS

- On or about September 10, 2015, Allison White filed a complaint against RESPONDENT
 for conducting real estate and property management activities without first obtaining licenses from the
 Nevada Real Estate Division to perform such activities.
- As part owner of Las Vegas Retreats, RESPONDENT enters into Rental Marketing
 Agreements with property owners.
 - 3. By signing this Rental Marketing Agreement, home owners agree to the following:
 - a. Pay an initial fee of \$499.00 due prior to RESPONDENT "listing [their] home";
 - b. Pay a 35% commission of all rental revenue generated by RESPONDENT;
 - c. Allow RESPONDENT to "lease the home to their guests as needed";
 - d. Allow RESPONDENT to recommend weekly and monthly rates; and
 - e. Prohibits the owner from "attempting to deal directly with [their] guests for the purpose of accommodating them in [the owner's] home(s) without [their] services."
- 4. Per said Rental Marketing Agreement, RESPONDENT "will provide consumables (soaps, TP, etc...)" for the home.
- 5. The Terms and Conditions of said Rental Marketing Agreement, which is also advertised on RESPONDENT's website, provides that RESPONDENT will take care to assure that the "systems/amenities" in the owner's home are working properly.
- 6. Moreover, RESPONDENT must be notified "immediately of any deficiencies/malfunctions at" the owner's home, and it is the RESPONDENT who "will make every reasonable attempt to rectify the situation as soon as possible."
- RESPONDENT performed property management services by placing occupants in the properties, collecting rents, sending proceeds to the owners, and receiving compensation for those services.
- 8. Pursuant to NRS 645.019, RESPONDENT performed property management services by the physical, administrative or financial maintenance and management of real property, or the supervision of such activities for a fee, commission, or other compensation or valuable consideration.

- RESPONDENT does not hold a Nevada Real Estate license or property management permit in Nevada.
- 10. On or about August 15, 2016, the Administrator of the Division issued a Cease and Desist Order to RESPONDENT, ordering RESPONDENT to cease and desist from conducting all broker and property management activities.
 - 11. Nonetheless, RESPONDENT is still operating Las Vegas Retreats.

VIOLATIONS

RESPONDENT has committed the following violations of law:

- 12. RESPONDENT violated NRS 645.230(1)(b) by engaging in the business of, acting in the capacity of, advertising or assuming to act as a property manager without first obtaining from the Division a license as a real estate broker, real estate broker-salesperson, or real estate salesperson, and a permit to engage in property management.
- 13. RESPONDENT violated NRS 645.235(1)(a) by knowingly engaging or offering to engage in any activity for which a license, permit, certificate or registration or any type of authorization is required pursuant to this chapter, or any regulation adopted pursuant thereto, if the person does not hold the required license, permit, certificate or registration or has not been given the required authorization.

DISCIPLINE AUTHORIZED

- 14. Pursuant to NRS 645.235, the Commission is empowered to impose an administrative fine in an amount not to exceed the amount of gain or economic benefit that the person derived from the violation or \$5,000, whichever amount is greater, against RESPONDENT for each violation of NRS 645.230 and/or NRS 645.235.
- 15. Additionally, under NRS Chapter 622, 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.
- 16. Therefore, the Division requests that the Commission take such disciplinary action as it deems appropriate under the circumstances.

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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 15, 2017 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 17, 2017, or earlier if the business of the Commission is concluded. The Commission meeting will be held on August 15, 2017, at the Grant Sawyer Building, 555 East Washington Avenue, Room 4401, Las Vegas, Nevada 89101. The meeting will continue on August 16, 2017 at the Grant Sawyer Building, 555 East Washington Avenue, Room 4401, Las Vegas, Nevada 89101 commencing at 9:00 a.m., and on August 17, 2017, should business not be concluded, starting at 9:00 a.m. at the Grant Sawyer Building, 555 East Washington Avenue, Room 4401, Las Vegas, Nevada 89101.

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 15 through August 17, 2017, 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 Rebecca Hardin, 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 hearing, the Division has the burden of proving the allegations in the complaint and will call witnesses and present evidence against

you. You have the right to respond and to present relevant evidence and argument on all issues involved. You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant to the issues involved.

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

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

DATED this _____lday of July, 2017.

State of Nevada

Department of Business and Industry

Real Estate Division

By:_

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