

FILED
OCT 27 2016
REAL ESTATE COMMISSION
BY *[Signature]*

BEFORE THE REAL ESTATE COMMISSION
STATE OF NEVADA

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

Case No. 2015-2785

Petitioner,

vs.

GREGORY D. SMITH,

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 Keith E. Kizer, Senior Deputy Attorney General, hereby notifies RESPONDENT GREGORY D. SMITH ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("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 GREGORY D. SMITH was at all relevant times mentioned in this Complaint licensed by the Division as a Salesperson under license number S.0169698 and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

FACTUAL ALLEGATIONS

1. RESPONDENT has been licensed by the Division as a Salesperson under license number S.0169698, since July 14, 2010, and is in active status.

1 2. RESPONDENT was licensed by the Division as a Property Manager under permit
2 number PM.0165270, on March 2, 2012, which is now in expired status.

3 3. At all times relevant to the Complaint, RESPONDENT was associated with broker Paul
4 May ("May") at Keller Williams Realty Southwest ("Southwest").

5 4. On or about July 20, 2012, Wong Yuk ("Wong") and Southwest, through
6 RESPONDENT, entered into a Residential Property Management Agreement for real property located
7 at 413 Horse Pointe, North Las Vegas, Nevada (the "413 Property").

8 5. In or about November 2012, Wong and Southwest, through RESPONDENT, entered
9 into a Residential Property Management Agreement for real property located at 422 Horse Pointe,
10 North Las Vegas, Nevada (the "422 Property").

11 6. Pursuant to the Residential Property Management Agreements, RESPONDENT was to
12 remit monthly rent payments to Wong.

13 7. In or about January 2013, May informed RESPONDENT that all Southwest property
14 management accounts would be turned over to Southwest's in-house property management department.

15 8. Despite May's directive, RESPONDENT continued to act as the property manager of
16 the 413 Property and the 422 Property.

17 9. RESPONDENT failed to remit, within a reasonable time, monies to May which
18 RESPONDENT received pursuant to his management of the 413 Property and the 422 Property.

19 10. On or about August 8, 2014, RESPONDENT'S property management permit went into
20 inactive status.

21 11. RESPONDENT continued to manage the 413 Property and the 422 Property after the
22 inactivation of his property management permit.

23 12. RESPONDENT failed to remit approximately \$32,000.00 in rent payments to Wong.

24 13. On or about November 7, 2014, RESPONDENT admitted that he owed Wong
25 \$32,000.00 in rent payments and that RESPONDENT would begin paying that money to Wong at a
26 rate of \$5,000 per month starting on January 15, 2015.

27 14. RESPONDENT failed to make any such payments to Wong.

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1 15. On or about September 29, 2015, Wong filed a Statement of Fact complaining of
2 RESPONDENT'S conduct.

3 16. After receiving Wong's Statement of Fact, RESPONDENT now claims that he was
4 entitled to the \$32,000.00 in rent payments.

5 VIOLATIONS

6 RESPONDENT has committed the following violations of law:

7 17. RESPONDENT violated NRS 645.630(1)(f) by failing to remit to May, within a
8 reasonable time, money which came into RESPONDENT'S possession and which belonged to another
9 person.

10 18. RESPONDENT violated NRS 645.630(1)(h) by converting the money of Wong to
11 RESPONDENT'S own personal use.

12 19. RESPONDENT violated NRS 645.633(1)(i), pursuant to NAC 645.605(1) and/or NAC
13 645.605(6), by engaging in conduct which constitutes deceitful, fraudulent or dishonest dealing.

14 20. RESPONDENT violated NRS 645.230(1)(b) by engaging in the business of, acting in
15 the capacity of, or advertising or assuming to act as a property manager without holding an active
16 property management permit issued by the Division.

17 DISCIPLINE AUTHORIZED

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

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

24 23. Therefore, the Division requests that the Commission take such disciplinary action as it
25 deems appropriate under the circumstances.

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1 **NOTICE OF HEARING**

2 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the
3 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and
4 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

5 **THE HEARING WILL TAKE PLACE** on December 5, 2016 commencing at 1:00 p.m., or
6 as soon thereafter as the Commission is able to hear the matter, and each day thereafter
7 commencing at 9:00 a.m. through December 7, 2016, or earlier if the business of the Commission
8 is concluded. The Commission meeting will be held on December 5, 2016, at the Grant Sawyer
9 Building, Gaming Control Board, 555 East Washington Avenue, Room 2450, Las Vegas, Nevada
10 89101. The meeting will continue on December 6, 2016 at the Nevada Department of
11 Employment Training and Rehabilitation, 2800 East St. Louis Avenue, Conference Room A-C,
12 Las Vegas, NV 89104, commencing at 9:00 a.m., and on December 7, 2016, should business not be
13 concluded, starting at 9:00 a.m. at the Nevada Department of Employment Training and
14 Rehabilitation, 2800 East St. Louis Avenue, Conference Room A-C, Las Vegas, NV 89104.

15 **STACKED CALENDAR:** Your hearing is one of several hearings scheduled at the same
16 time as part of a regular meeting of the Commission that is expected to last from December 5
17 through December 7, 2016, or earlier if the business of the Commission is concluded. Thus, your
18 hearing may be continued until later in the day or from day to day. It is your responsibility to be
19 present when your case is called. If you are not present when your hearing is called, a default
20 may be entered against you and the Commission may decide the case as if all allegations in the
21 complaint were true. If you have any questions please call Rebecca Hardin, Commission
22 Coordinator (702) 486-4074.

23 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open
24 meeting under Nevada's open meeting law, and may be attended by the public. After the evidence and
25 arguments, the commission may conduct a closed meeting to discuss your alleged misconduct or
26 professional competence. A verbatim record will be made by a certified court reporter. You are
27 entitled to a copy of the transcript of the open and closed portions of the meeting, although you must
28 pay for the transcription.

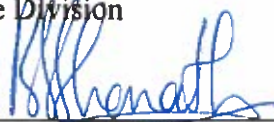
1 As the Respondent, you are specifically informed that you have the right to appear and be heard
2 in your defense, either personally or through your counsel of choice. At the hearing, the Division has
3 the burden of proving the allegations in the complaint and will call witnesses and present evidence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

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


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

15 DATED this 27 day of October, 2016.

16 State of Nevada
17 Department of Business and Industry
18 Real Estate Division

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