

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,

Case No. 2016-2012

Petitioner,

7 vs.

8 LYLE D. CHAMBERLAIN,

9 Respondent.

FILED

OCT 31 2016

REAL ESTATE COMMISSION

10 **COMPLAINT AND NOTICE OF HEARING**

11 The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY
12 OF THE STATE OF NEVADA (“Division”) hereby notifies RESPONDENT LEE CHAMBERLAIN
13 (“RESPONDENT”) of an administrative hearing before the STATE OF NEVADA REAL ESTATE
14 COMMISSION (“Commission”). The hearing will be held pursuant to Chapters 233B and Chapter 645
15 of the Nevada Revised Statutes (“NRS”) and Chapter 645 of the Nevada Administrative Code (“NAC”).
16 The purpose of the hearing is to consider the allegations stated below and to determine if RESPONDENT
17 should be subject to an administrative penalty as set forth in NRS 645.235 and NRS 622.400, and the
18 discipline to be imposed, if a violation of law is proven.

19 **JURISDICTION**

20 RESPONDENT engaged in activities which require a license as a real estate broker, real estate
21 broker-salesperson, or real estate salesperson, issued by the Division and is, therefore, subject to the
22 jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter
23 645.

24 **FACTUAL ALLEGATIONS**

25 1. At all times relevant to this Complaint, RESPONDENT was licensed by the Division as a
26 broker salesperson, license #B100016.LLC.

27 2. RESPONDENT signed a “Co-broker Engagement and Compensation Agreement” (“the
28 Co-Broker Agreement”) with Ryan Barr (“BARR”), Ryan Bennett (“BENNETT”) and DAVID E.

1 HOWARD, under which RESPONDENT would be entitled to a flat fee commission from BARR and
2 BENNETT of \$1,000 on a sale, except wherein RESPONDENT introduced the buyer to BARR or
3 BENNETT, under which circumstance BARR and BENNETT would split their commissions evenly with
4 RESPONDENT.

5 3. At all times pertinent herein, BARR and BENNETT were not licensed by the DIVISION
6 in any capacity.

7 4. The Co-Broker Agreement stated that "Co-Broker is only being engaged for state
8 licensing purposes. No marketing assistance is required or is necessary."

9 5. Under the color of the Co-Broker Agreement, BARR and BENNETT represented the
10 owner (Gabriel Hagemann, Successor Trustee to the Francis Realty Inc. Profit Sharing Plan) under an
11 exclusive listing agreement resulting in a February 29, 2016 sale of an O'Reilly's Auto Parts Store in
12 Reno, Nevada.

13 6. The buyer of the store was represented by Realty Corner, Inc.

14 7. The store sold for \$1,710,000.

15 VIOLATIONS

16 8. RESPONDENT violated NRS 645.235(1)(b) by assisting unlicensed persons in an activity
17 for which a license is required under NRS Chapter 645, without the required license.

18 DISCIPLINE AUTHORIZED

19 9. Pursuant to NRS 645.235, the Commission is empowered to impose an administrative fine
20 the amount of any gain or economic benefit that the person derived from the violation or \$5,000,
21 whichever amount is greater, against RESPONDENT.

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

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

27 ...

28 ...

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 4, 2018, commencing at 9:00 a.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 6, 2018, or earlier if the business of the Commission
8 is concluded. The Commission meeting will be held on December 4, 2018, at the Nevada State
9 Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102.
10 The meeting will continue on December 5, 2018 at the Nevada State Business Center, 3300 West
11 Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102, commencing at 9:00 a.m.,
12 and on December 6, 2018, should business not be concluded, starting at 9:00 a.m. at the Nevada
13 State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada
14 89102.

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 4
17 through December 6, 2018, 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 may
20 be entered against you and the Commission may decide the case as if all allegations in the complaint
21 were true. If you have any questions please call Teralyn Thompson, Administration Section
22 Manager, (702) 486-4036.

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

28 . . .

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 the
3 burden of proving the allegations in the complaint and will call witnesses and present evidence against
4 you. You have the right to respond and to present relevant evidence and argument on all issues involved.

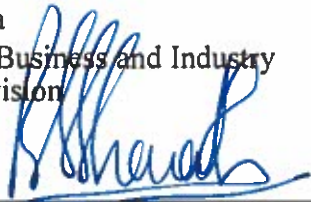
5 You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
6 witnesses on any matter relevant to the issues involved.

7 You have the right to request that the Commission issue subpoenas to compel witnesses to testify
8 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate
9 the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in
10 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 NAC
12 645 and if the allegations contained herein are substantially proven by the evidence presented and
13 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
14 pursuant to NRS 645.235, 645.633 or 645.630.

15 DATED this 30 day of October, 2018.

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

19 By: 
20 SHARATH CHANDRA, Administrator
21 3300 West Sahara Avenue, Suite 350
22 Las Vegas, Nevada 89102

23 ADAM PAUL LAXALT
24 Attorney General

25 By: 
26 DENNIS L. BELCOURT (Bar. No. 2658)
27 Deputy Attorney General
28 555 E. Washington Avenue, Suite 3900
Las Vegas, Nevada 89101
(702) 486-3326
Attorneys for Real Estate Division