

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

REAL ESTATE COMMISSION
Case No. 2019-320 BY Emily Tatta

Petitioner,

vs.

CHARLES M. HOLLISTER,

Respondent.

STIPULATION FOR SETTLEMENT OF DISCIPLINARY ACTION

This Stipulation for Settlement of Disciplinary Action (“Stipulation”) is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division (“Division”), through its Administrator Sharath Chandra (“Petitioner”), and Charles M. Hollister (“RESPONDENT”).

JURISDICTION

RESPONDENT at all relevant times mentioned in this Complaint was licensed as a Salesperson by the Division 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, S.0056329, operating with Urban Nest Realty LLC.
2. The licensed broker of Urban Nest Realty LLC is Mr. David J. Tina (the “BROKER”).
3. 6800 S. Squaw Valley Road, Pahrump, Nevada (the “Property”) was offered for sale by Nancy Willmes as Administrator of the Estate of Charles Franklin (the “Seller”).
4. Any proposed sale of the Property was subject to review by the Probate Court.
5. RESPONDENT was the agent of the Seller and the Listing Agreement was signed on December 3, 2018.
6. On or about December 8, 2018 Richard and Martha Hamp (the “Hamps”) contacted RESPONDENT about the Property.

1 7. RESPONDENT initially indicated he would be representing both the Hamps and the
2 Seller of the Property because the Hamps did not disclose they already had an agent.

3 8. On or about December 8, 2018 the Hamps submitted an offer to purchase the Property
4 through their agent, Jose Inchauriga, to RESPONDENT as the agent of the Seller.

5 9. The initial offer was rejected and a counter-offer presented by Seller which was rejected
6 by the Hamps.

7 10. On or about December 10, 2018 the Hamps presented an offer of \$120,000 which was
8 accepted and RESPONDENT sent a Residential Purchase Agreement (“RPA”).

9 11. Given the acceptance of the Hamps’ offer a hearing was set before Probate Court on
10 February 12, 2019 regarding the sale and notice of the hearing provided.

11 12. The RPA was amended to account for the hearing date by way of Addendum #1 on
12 January 14, 2019.

13 13. The Hamps were purchasing the Property by way of a loan.

14 14. RESPONDENT states “the RPA directly instructs the Buyer to give details of the Loan
15 Approval to the Seller and as the Seller’s Agent I was entitled to this information” and “I would have
16 direct access to the Loan Approval process and the value of the loan. . .”

17 15. RESPONDENT had knowledge of the Hamps’ loan amount and the loan approval process
18 associated with the purchase of the Property.

19 16. The Hamps paid for an appraisal which resulted in a finding of “Fair” condition which
20 placed the loan in jeopardy.

21 17. RESPONDENT was informed of this and was provided with a Request for Repairs on
22 January 25, 2019.

23 18. RESPONDENT initially indicated it was “too late for repairs” and did not indicate the
24 Request for Repairs was forwarded to the Seller.

25 19. On January 28, 2019 the Seller, through RESPONDENT and the Hamps, through their
26 agent, executed Addendum #2 to the RPA which established a procedure whereby the Hamps provided
27 money into escrow to pay for repairs to the Property which would allow the Hamps to obtain the loan.

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1 20. The Hamps deposited the funds into escrow and the repairs on the Property were
2 performed.

3 21. RESPONDENT knew of the additional efforts and costs the Hamps performed in order to
4 qualify for the loan which would allow them to purchase the Property.

5 22. Given RESPONDENT's "access to the Loan Approval process and the value of the loan"
6 as well as knowledge of the repairs paid for by the Hamps, gave RESPONDENT information which
7 would place him at an advantage over the general public during an auction.

8 23. Armed with this knowledge RESPONDENT stated: "Just prior to the Hearing to Confirm
9 the Sale on the 12th of February, I approached one of my consistent clients, Eric Lin, to see if he would
10 be interested in buying the property."

11 24. RESPONDENT appeared at the hearing on February 12, 2019 and issued a bid of
12 \$125,000 on the Property.

13 25. RESPONDENT did not indicate whom he was representing at the hearing.

14 26. RESPONDENT did indicate he represented both the buyer and the seller.

15 27. The Court rescheduled the hearing to review documents not provided before the February
16 12, 2019 hearing and rescheduled the hearing for February 26, 2019.

17 28. At the hearing on February 26, 2019 the court awarded the Property to the Hamps.

18 29. At the hearing on February 26, 2019, the court stated on the record, among other
19 comments:

20 . . .I'm going to tell you, it was kind of shady. I'll just be honest with you.
21 I did not like what I saw in court the other day and that's exactly why I
22 continued this hearing to take a look at the addendums. But basically they
23 worked all along very hard for the Hamps to get the Property and then they
24 show up in court and basically the rug gets ripped right out, attempts to get
ripped right out from underneath them, and they've jumped through some
incredible hoops to try and get this house. . .

25 30. RESPONDENT was required to provide any paperwork to the broker with whom he or
26 she is associated within 5 calendar days after that paperwork is executed by all the parties.

27 31. The Hamps filed a complaint with the Real Estate Division on or about March 27, 2019.
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1 32. As part of its investigation the Division on April 4, 2019 sent a request to the BROKER
2 requesting the broker file(s) for the transactions on the Property be produced to the Division.

3 33. The documents produced by the BROKER did not include all Duties Owed By A Nevada
4 Real Estate Licensee form (the "Duties Owed") signed by Nancy Wilmes or Eric Lin.

5 34. As part of its investigation the Division sent a request to the RESPONDENT requesting
6 RESPONDENT provide an affidavit in response to the Hamp Complaint to the Division.

7 35. On April 18, 2019 RESPONDENT signed a sworn declaration under penalty of perjury
8 that the documents produced were "a true, correct and complete copy of any and all documents" regarding
9 the Property.

10 36. As a result of the documents, written testimony, and other evidence on July 10, 2019 the
11 Division issued a Notice of Violation with Imposition of Administrative Fine finding violations of NRS
12 645.252(3), NRS 645.633(1)(h) pursuant to NAC 645.637 (failing to provide the Duties Owed form to
13 the principal), and NRS 645.633(1)(h) pursuant to NAC 645.605(1) (Bidding on the property when he
14 knew the loan amount the Hamps were approved for regarding the Property).

15 37. On July 24, 2019 RESPONDENT replied to the Notice of Violation with Imposition of
16 Administrative Fine and provided additional documentation including several Duties Owed forms related
17 to the Property.

18 38. The failure to timely provide the Duties Owed forms to the Division impeded the
19 investigation being conducted by the Division.

20 **VIOLATIONS**

21 RESPONDENT has committed the following violations of law:

22 39. RESPONDENT violated NAC 645.650(2) by not timely producing all Duties Owed forms
23 to the BROKER and, as a result, the forms were not included in the complete transaction file copy
24 submitted to the Division.

25 40. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(11)(a) by not
26 providing the Duties Owed forms timely, RESPONDENT impeded an investigation of the Division.

27 41. RESPONDENT violated NAC 645.605(1) by not doing his utmost to protect the public
28 against fraud, misrepresentation or unethical practices related to real estate.

1 42. RESPONDENT violated NAC 645.605(6) by not dealing fairly with all parties to the real
2 estate transaction RESPONDENT.

3 43. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(1) & (6) by not
4 disclosing to the Hamps his intent to submit his own bid or a bid for his buyer client prior to
5 RESPONDENT actually submitting the bid to purchase.

6 **DISCIPLINE AUTHORIZED**

7 44. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an
8 administrative fine per violation against RESPONDENT that may not exceed \$10,000, and further to
9 suspend, revoke or place conditions on the license of RESPONDENT.

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

13 46. Therefore, the Division requests that the Commission take such disciplinary action as it
14 deems appropriate under the circumstances.

15 **PROPOSED STIPULATION AGREEMENT**

16 1. In an effort to avoid the time and expense of litigating these issues before the Commission,
17 the parties desire to compromise and settle the instant controversy upon the following terms and
18 conditions:

19 a. RESPONDENT agrees to pay \$13,375.66 to the Division within twenty-five (25)
20 months of the date of the Commission's order approving this stipulation. The amount
21 includes a \$10,000.00 fine and \$3,375.66 to cover the Division's investigatory costs
22 and attorneys' fees.

23 b. RESPONDENT will pay \$2,000.00 within 30 days of the date of the Commission's
24 order approving this stipulation. The remaining \$11,375.66 will be paid in twenty-
25 four (24) equal monthly installments of \$473.99 per month to the Division for twenty-
26 four (24) months beginning on February 1, 2021.

27 c. RESPONDENT will complete and three (3) hours ethics, three (3) hours agency, and
28 three (3) hours law and legislation of continuing education by February 28, 2021

1 which will not be counted toward the required hours for license/permit renewal.

2 2. RESPONDENT and the Division agree that by entering into this Stipulation, the Division
3 does not concede any defense or mitigation RESPONDENT may assert and that once this Stipulation is
4 approved and fully performed, the Division will close its file in this matter. Nothing herein prevents proof
5 and giving consideration to acts complained of in this matter in determining or penalizing a future
6 violation by RESPONDENT of any provision of NRS Chapter 645 or NAC Chapter 645.

7 3. RESPONDENT agrees and understands that by entering into this Stipulation,
8 RESPONDENT is waiving his right to a hearing at which RESPONDENT may present evidence in his
9 defense, his right to a written decision on the merits of the complaint, his rights to reconsideration and/or
10 rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada
11 Administrative Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and
12 accompanying regulations, and the federal and state Constitutions. RESPONDENT understands that this
13 Agreement and other documentation may be subject to public records laws. The Commission members
14 who review this matter for approval of this Stipulation may be the same members who ultimately hear,
15 consider, and decide the Complaint if this Stipulation is either not approved by the Commission or is not
16 timely performed by RESPONDENT. RESPONDENT fully understands that he has the right to be
17 represented by legal counsel in this matter at his own expense.

18 4. Each party shall bear its or his own attorney's fees and costs, except as provided above.

19 5. Approval of Stipulation. Once executed, this Stipulation will be filed with the
20 Commission and will be placed on the agenda for approval at its next public meeting. The Division will
21 recommend to the Commission approval of the Stipulation. RESPONDENT agrees that the Commission
22 may approve, reject, or suggest amendments to this Stipulation that must be accepted or rejected by
23 RESPONDENT before any amendment is effective.

24 6. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests
25 amendments unacceptable to RESPONDENT, RESPONDENT may withdraw from this Stipulation, and
26 the Division may pursue its Complaint before the Commission. This Stipulation then shall become null
27 and void and unenforceable in any manner against either party.

28 7. Release. In consideration of the execution of this Stipulation, RESPONDENT for himself,

1 his heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever
2 discharges the State of Nevada, the Department of Business and Industry, and the Division, and each of
3 their respective members, agents, employees, and counsel in their individual and representative
4 capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions,
5 claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever had,
6 now has, may have, or claim to have against any or all of the persons or entities named in this section,
7 arising out of or by reason of the Division's investigation, this disciplinary action, and all other matters
8 relating thereto.

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

16 9. Default. In the event of default, RESPONDENT agrees that his license shall be
17 immediately suspended, and the unpaid balance of the administrative fine and costs, together with any
18 attorney's fees and costs that may have been assessed, shall be due in full to the Division within ten
19 calendar days of the date of default. Debt collection actions for unpaid monetary assessments in this case
20 may be instituted by the Division or its assignee. RESPONDENT agrees that his license shall be
21 immediately suspended if he fails to timely attend and complete the above continuing education.
22 RESPONDENT agrees that the suspension of his license shall continue until the continuing education is
23 completed.

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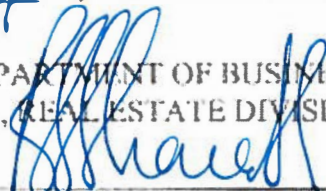
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10. RESPONDENT has signed and dated this Stipulation only after reading and understanding all terms herein.

DATED this 7th day of December, 2020

DATED this 14 day of December, 2020.


By: 
CHARLES M. HOLLISTER

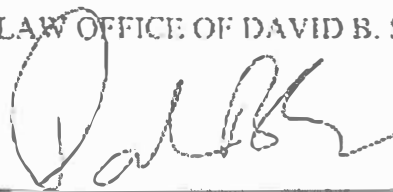
NEVADA DEPARTMENT OF BUSINESS & INDUSTRY, REAL ESTATE DIVISION
By: 
SHARATH CHANDRA
Administrator

Approved as to form:

AARON D. FORD
Attorney General

THE LAW OFFICE OF DAVID B. SANDERS

By: 
ROBERT E. WERBICKY
Deputy Attorney General
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By: 
DAVID B. SANDERS, ESQ.
10845 Griffith Peak Drive #2
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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,

7 Petitioner,

8 vs.

9 CHARLES M. HOLLISTER,

10 Respondent.

Case No. 2019-320

11 ORDER APPROVING STIPULATION

12 This Stipulation for Settlement of Disciplinary Action ("Stipulation") having come before the
13 Real Estate Commission, Department of Business and Industry, State of Nevada, during its regular
14 agenda on December 7, 2020 and the Commission being fully apprised of the terms and good cause
15 appearing,

16 IT IS ORDERED that the Stipulation for Settlement of Disciplinary Action in this matter is
17 approved in full.

18 This Order shall become effective on the 8th day of December, 2020.

19 Dated this 16th day of December, 2020.

20 NEVADA REAL ESTATE COMMISSION

21 By: 

22 [Print Name]

23 DEVIN REISS

24 Commission President