| 1 2 | | CFILED LESTATE COMMISSION OF NEVADA REAL ESTATE COMMISSION |
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| 3 | SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, | BY July alle |
| 4 | DEPARTMENT OF BUSINESS & INDUSTRY, | Case No. 2019-641 |
| 5 | STATE OF NEVADA, | |
| 6 | Petitioner, | STIPULATION FOR SETTLEMENT OF |
| 7 | vs. | DISCIPLINARY COMPLAINT |
| 8 | KATHRYN L. MINER, | |
| 9 | Respondent. | |
| 10 | | I |

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 Sherine Kuckhoff ("RESPONDENT").

JURISDICTION

At all times relevant, RESPONDENT held a real estate broker-salesperson license, B.0001157.LLC. RESPONDENT engaged in activities which require a license as a real estate broker, real estate broker-salesperson, or real estate salesperson, and/or a permit to engage in property management, issued by the Division and is, therefore, subject to the jurisdiction of the Division and the Commission, and the provisions of NRS and NAC 645.

PROCEDURAL HISTORY

1. On or about June 3, 2019, the Division received a decision of the Board of Directors for the Reno/Sparks Association of Realtors, Inc. ("RSAR"), which affirmed the Decision of the of Ethics Panel of the Professional Standards Committee from the RSAR, finding that RESPONDENT and her broker salesperson, Linda Hartman ("Hartman"), BS.0017739, violated the RSAR Code of Ethics.

2. On or about June 17, 2019, the Division sent an investigation-opening letter to the RESPONDENT, requiring her to provide a sworn statement responding to the RSAR

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Decision, along with a complete copy of the broker's transaction file for the property in
 question.

3. On or about June 17, 2019, the Division also sent an investigation-opening letter to Hartman, which required Hartman to provide a sworn statement addressing the RSAR Decision.

6 4. On or about July 2, 2019, the Division received the RESPONDENT's sworn
7 affidavit and broker's transaction file.

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On or about July 3, 2019, the Division received Hartman's sworn affidavit.

9 6. On or about October 16, 2019, the Division sent RESPONDENT an NRS 233B
10 letter indicating that the Division's investigation had obtained sufficient evidence to
11 commence disciplinary action by filing a complaint with the Nevada Real Estate
12 Commission ("Commission").

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FACTUAL ALLEGATIONS

14 1. At all times relevant, RESPONDENT held a real estate broker's license,
15 B.0001157.LLC

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RESPONDENT has been a licensee since 1981

3. On or about April 24, 2018, the sellers of the property located at 2531, 2533 Orovado St., Reno, NV 89512 ("the Property"), signed an Exclusive Right to Sell Contract for the Property granting Trans-Action Realty 500 as the Broker of record.

4. The Property was input into the Northern Nevada Regional Multiple Listing
Service ("MLS") on April 24, 2018.

5. The sellers of the Property signed a Residential Offer and Acceptance
Agreement presented by their broker of record, Trans-action Realty 500, in the amount of
\$80,000.00, on April 25, 2018.

6. The day of input, on April 24, 2018, the MLS status showed the Property as
"Pending-no show."

1 7. On or about May 3, 2018, the Hartman's prepared a Residential Offer and 2 Acceptance Agreement for the Property, in the amount of \$139,000.00, which was signed 3 by the buyer and seller.

8. In Hartman's s sworn affidavit response to the Division she attested that she "did not put an expiration date on the contract."

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9. Hartman allowed her client to take the Residential Offer and Acceptance Agreement, dated May 3, 2018, with him, knowing that it was possible that he would present the offer directly to the seller who was a party to an exclusive listing agreement.

10. In Hartman's sworn affidavit response to the Division, she attested that she pulled the Property upon the MLS and told her client that the client's offer would need to be a backup offer.

12 11. The Residential Offer and Acceptance Agreement dated May 3, 2018, does not state that it is a backup offer.

14 12. As part of the Hartman's sworn affidavit response to the Division, the 15 Hartman's client attested, in an undated statement, that "[w]e were not aware the property 16 was listed until I met with [the sellers] that night to give them the offer."

17 13. The May 3, 2018, Offer and Acceptance Agreement prepared by Hartman 18 misstates that the buyer was paying cash for the Property.

14. Hartman's buyer client obtained two mortgages, both on June 5, 2018, secured by the Property, for the purchase of the Property.

15. Hartman did not prepare an addendum to the May 3, 2018, purchase agreement reflecting the correct financing terms.

23 16. The June 3, 2018, RSAR Decision reflects that Hartman testified during the 24 Ethic Panel Hearing that she had worked with her client on previous properties and knew 25 that he would have no issues with getting the loans.

26 17. **RESPONDENT** incorrectly attested in her sworn affidavit response to the 27 Division that the loans obtained by Hartman's buyer client were personal and would not 28 encumber the Property.

1 18. Hartman's client obtained two separate loans, each secured by a Deed of 2 Trust, to purchase the property.

19. Hartman's client was informed by the seller of the Property in question that 4 he had already accepted an offer to purchase the Property when Hartman's client 5 personally presented the seller with the Residential Offer and Acceptance Agreement 6 prepared by Hartman.

20. On or about May 2, 2018, the sellers contacted their listing agent and explained that they wanted to rescind their acceptance of the April 24, 2018, Offer and Acceptance Agreement because "[o]n Monday the 30th of April a friend of ours (John 10 Stempeck) presented us with an offer on the Orovado duplex for \$139,000.00."

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On May 3, 2018, the sellers accepted the offer prepared by the Hartman.

12 22. The May 3, 2018, purchase agreement listed the earnest money deposited was 13 to be made payable to Western Title Company.

14 23. The June 3, 2018, RSAR Decision reflects that during the RSAR Ethics Panel 15 Hearing, the Hartman's client testified that after acceptance of the May 3, 2018, offer, the 16 title company was changed to Capital Title Company at the direction of the Hartman.

17 24. On May 11, 2018, Hartman generated and submitted an Escrow Cancellation 18 Instructions and Addendum to Western Title Company for the first offer.

25. The Escrow Cancellation Instructions and Addendum became effective on June 13, 2018, the date of the final party's signature.

26. The May 3, 2018, purchase agreement was never amended to reflect the new 22 title company information.

23 27. The June 3, 2018, RSAR Decision reflects that Hartman testified before the 24 RSAR Ethics Hearing Panel of the Professional Standards Committee that she did not 25 contact the listing agent for the Property prior to writing the Residential Offer and 26 Acceptance Agreement, despite knowing the property was in escrow.

27 28. In Hartman's sworn affidavit to the Division, she attested that she spoke to 28 the listing agent on the phone during the transaction.

1 29. The June 3, 2018, RSAR Decision reflects that Hartman testified to the RSAR 2 Ethics Hearing Panel of the Professional Standards Committee that she did not 3 communicate with the listing agent for the Property throughout the transaction between 4 the listing agent's client and Hartman's client.

5 The RSAR Ethics Hearing Panel of the Professional Standards Committee 30. 6 found "clear, strong and convincing evidence" Hartman "communicated directly" with the 7 seller of the Property during the transaction.

8 31. The RSAR Ethics Hearing Panel decision was affirmed by the RSAR Board of 9 Directors on June 3, 2019, and RESPONDENT received a Letter of Reprimand and was 10 fined \$5,000.00.

11 32. As part of the RSAR Board of Director's decision, the decision of the Ethic's 12 Panel was submitted to the Division.

33. Hartman failed to notify the Division that she was acting as the managing 14 broker for Miner Realty.

> 34. Hartman advertised that she is the managing broker for Miner Realty.

RESPONDENT failed to oversee and supervise the Hartman. 35.

VIOLATIONS ALLEGED

RESPONDENT has committed the following violations of law:

RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(11)(c) for 1. falsely stating to an investigator of the Division that the loans obtained by Hartman's client to purchase the property in question would not encumber the property.

22 2. RESPONDENT violated NAC 645.600(1) and (2)(a), (b), and (e) for failing to 23 supervise activities of Hartman involving the transaction and documents for the purchase 24 of the transaction in question. RESPONDENT also failed to supervise Hartman's 25 misleading advertising in which she identified herself as the managing broker of Miner 26 Realty of Nevada.

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| 1 | DISCIPLINE AUTHORIZED |
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| 2 | 1. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to |
| 3 | impose an administrative fine of up to \$10,000 per violation against RESPONDENT and |
| 4 | further to suspend, revoke or place conditions on the license of RESPONDENT. |
| 5 | 2. Pursuant to NRS 645.314, the Division is authorized to request its investigative |
| 6 | costs where the investigation was undertaken for disciplinary purposes. |
| 7 | 3. Additionally, under NRS 622.400, the Commission is authorized to impose costs |
| 8 | of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if |
| 9 | the Commission otherwise imposes discipline on RESPONDENT. |
| 10 | 4. Therefore, the Division requests that the Commission take such disciplinary |
| 11 | action as it deems appropriate under the circumstances. |
| 12 | STIPULATED AGREEMENT |
| 13 | 1. In an effort to avoid the time and expense of litigating these issues before the |
| 14 | Commission, the parties desire to compromise and settle the instant controversy upon the |
| 15 | following terms and conditions: |
| 16 | a. RESPONDENT admits to the facts as stated above. RESPONDENT does not |
| 17 | admit to the above violations. |
| 18 | b. RESPONDENT agrees to pay \$2,500.00 plus \$1,236.16 in administrative |
| 19 | costs, for a total of \$3,736.16. RESPONDENT agrees to pay the total balance |
| 20 | within 180 days of the date of the Commission's Order approving this |
| 21 | stipulation. |
| 22 | 2. If the total payment is not received by the Division, on or before the expiration |
| 23 | of the 180 days, it shall be construed as an event of default by RESPONDENT. |
| 24 | 3. In the event of default, RESPONDENT agrees that any license(s) and any |
| 25 | permit(s) held by Respondent shall be immediately suspended; the Division may rescind |
| 26 | this Stipulation and proceed with prosecuting the Complaint before the Commission. In |
| 27 | that case, the Stipulation shall be null and void. |
| 28 | 4. The Division agrees not to pursue any other or greater remedies or fines in |
| | connection with RESPONDENT's alleged conduct referenced herein. The Division further |

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agrees that unless RESPONDENT fails to make timely payment, the Division will not bring
 any claim or cause directly or indirectly based upon any of the facts, circumstances, or
 allegations discovered during the Division's investigation and prosecution of this case.

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

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

7. Approval of Stipulation. This Stipulation is subject to approval by the Commission at a public meeting.

8. **Release.** In consideration of the execution of this Stipulation, the Division and the RESPONDENT, for themselves, their heirs, executors, administrators, successors, employees, officers and assigns, hereby release, remise, and forever discharge each other, and each of their respective members, agents, employees, and counsel in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that the Division or RESPONDENT ever had, now has, may have, or claim to have against any or all of the persons or entities named in this section, arising out of, relating to the facts and circumstances of the Division's investigation, this disciplinary action, and all other matters relating thereto.

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9. Indemnification. RESPONDENT hereby indemnifies and holds harmles 1 2 the State of Nevada, the Department of Business and Industry, the Division, and each o their respective members, agents, employees, and counsel, in their individual and 3 representative capacities, against any and all claims, suits, and actions brought against 4 said persons and/or entities by reason of the Division's investigation, this disciplinar 5 action, and all other matters relating thereto, and against any and all expenses, damages 6 and costs, including court costs and attorney fees, which may be sustained by the person 7 and/or entities named in this section as a result of said claims, suits, and actions. 8

The parties have signed and dated this Stipulation only after reading and understanding all terms herein.

DATED this $_3_$ day of J_{anuary}^{May} 2021.

DATED this 3 day of January 2021.

Authentices Kathrun L. Miner By: KATHRYN[®]L. MINER Respondent Approved as to form: **BRETT WHIPPLE**

NEVADA DEPARTMENT OF BUSINESS & INDUSTRY / REAL ESTATE DIVISION

By: SHAR CHANDRA Administrator

Approved as to form: AARON D. FORD Attorney General

By: 🥢 **BRETT WHIPPLE**

Bar No. 6168 Attorney for the Respondent

. AC. By:

PETERK, KEEGAN **Deputy Attorney General** Attorney for the Real Estate Division

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| 2 | BEFORE THE REAL ESTATE COMMISSION | |
| 3 | STATE OF NEVADA | |
| 4 | SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, | |
| 5 | DEPARTMENT OF BUSINESS & INDUSTRY, Case No. 2019-641 | |
| 6 | STATE OF NEVADA, | |
| 7 | Petitioner, | |
| 8 | vs. | |
| 9 | KATHRYN L. MINER, | |
| 10 | Respondent. | |
| 11 | ORDER APPROVING STIPULATION | |
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| 13 | Estate Commission, Department of Business and Industry, State of Nevada, during its | |
| 14 | regular agenda on December $\underline{S}_{}$, 2020, and the Commission being fully apprised of | |
| 15 | terms and good cause appearing, | |
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| 17 | Action in this matter is approved in full. | |
| 18 | This Order shall become effective on the 3^{rd} day of <u>June</u> 2021. | |
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| 21 | NEVADA REAL ESTATE COMMISSION | |
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| 23 | By:M | |
| 24 | [Print Name] Darrell Plummer | |
| 25 | Commission President | |
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