

FILED

BEFORE THE REAL ESTATE COMMISSION

DEC 17 2020

STATE OF NEVADA

REAL ESTATE COMMISSION
BY *Evelyn Patten*

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

Case No. 2018-48

Petitioner,

**STIPULATION FOR SETTLEMENT OF
DISCIPLINARY COMPLAINT**

vs.

BLAKE WILLIAMS,

Respondent.

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel, Aaron D. Ford, Attorney General of the State of Nevada, and Peter Keegan, Deputy Attorney General, hereby notifies RESPONDENT BLAKE WILLIAMS ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapter 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 or other discipline, authorized by NRS 645 and/or NAC 645, if violations of law are proven.

JURISDICTION

RESPONDENT is a licensed salesperson under license S.0177312. 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.

///

1 **PROCEDURAL HISTORY**

2 1. RESPONDENT is currently an agent affiliated with Ryder Homes Realty, Inc.
3 (“Ryder”) brokerage.

4 2. On or about January 8, 2018, the Division received a statement of fact
5 (“complaint”) complaining that the buyer’s side representation provided by RESPONDENT
6 while he was an agent affiliated with J.E. Johns and Associates brokerage.

7 3. The complaint filed against RESPONDENT alleged that he misguided the
8 buyers of Cascade Falls by providing them a key to the property prior to closing,
9 recommending that the buyers put the Cascade Fall’s utilities in their name and install an
10 alarm system, and by misinforming the buyers regarding payoff of the second lienholder
11 involved in the short-sale transaction.

12 4. On or about January 11, 2018, the Division sent an investigation-opening
13 letter to RESPONDENT, which required RESPONDENT to provide a sworn statement
14 responding to the complaint involving the property at 10092 Cascade Falls Drive, Reno, NV
15 89521 (“Cascade Falls”).

16 5. On or about January 11, 2018, the Division also sent an investigation-opening
17 letter to RESPONDENT’s then broker of record, Amina Marie Johns, of J.E. Johns and
18 Associates, which required RESPONDENT’s broker to produce a sworn affidavit and
19 complete copy of the broker’s transaction file for Cascade Falls.

20 6. On or about January 29, 2018, the Division received the RESPONDENT’s
21 sworn affidavit and brokerage file for the transaction involving Cascade Falls.

22 7. On or about May 15, 2018, the Division sent RESPONDENT an NRS 233B
23 letter indicating that the Division’s investigation had obtained sufficient evidence to
24 commence disciplinary action by filing a complaint with the Nevada Real Estate
25 Commission (“Commission”).

26 ///

27 ///

28 ///

1 **FACTUAL ALLEGATIONS**

2 1. RESPONDENT is a licensed salesperson under license S.0177312.

3 2. On or about May 30, 2015, the seller of Cascade Falls filed a chapter 13
4 bankruptcy petition.

5 3. The seller's chapter 13 bankruptcy plan identified the Cascade Falls property
6 as surrendered collateral, which was a requirement, to be surrendered to the identified
7 creditors upon confirmation of the chapter 13 plan by the bankruptcy court.

8 4. On or about August 20, 2015, the bankruptcy court issued its order confirming
9 the chapter 13 plan filed by the seller of Cascade Falls.

10 5. On or about June 1, 2016, an Exclusive Right to Sell Agreement was executed
11 by the seller of Cascade Falls in favor of High Sierra Realty, LLC as the listing brokerage
12 office with A.J. Johnson identified as the licensee.

13 6. RESPONDENT lacked competency in short sale transactions for real property
14 involved in a chapter 13 bankruptcy and failed to advise his clients to seek expert advice
15 regarding the same.

16 7. On or about June 1, 2016, RESPONDENT, acting as the buyer's agent,
17 submitted a Residential Offer and Acceptance Agreement ("Offer") for Cascade Falls, in the
18 amount of \$225,000.00, the seller accepted the offer.

19 8. The June 1, 2016, Offer contained a Short-Sale Addendum signed by the
20 buyers, which contained a provision entitled "No Guarantee of Lien Holder(s) Approval."

21 9. A Duties Owed form identifying the RESPONDENT as the licensee, was
22 signed by the buyers on June 1, 2016.

23 10. On or about June 2, 2016, RESPONDENT communicated to the buyers via
24 text message that:

25 There are 2 lenders, But the second doesn't really matter as once
26 the 1st accepts a price, the 2nd has to take \$6k or nothing. But I
27 still have to communicate with the second. But not that often.
28 Once we strike gold with the 1st, the second has to follow. LOL.
☺[.]”

1 11. RESPONDENT lacked competency in the area of short sales involving second
2 lien holders and failed to instruct the buyers to seek the assistance of an expert.

3 12. On or about January 22, 2017, the RESPONDENT communicated to the
4 buyers via text message that:

5 The seller would like to turn off all utilities. I said before u do
6 that let me touch base with the buyers. (Frozen pipe wise) Would
7 you like to: A. have her leave it all on, and agree to pay whatever
8 the utilities are up to change of service for u guys? B. have her
 shut it all off. C. call the utilities and have them put them in ur
 name now and keep all utilities on.

9 13. RESPONDENT's clients, the prospective buyer of Cascade Falls, assumed
10 responsibilities for the property's utilities.

11 14. RESPONDENT encouraged the buyers to install an alarm system at Cascade
12 Falls.

13 15. In RESPONDENT's affidavit response to the Division dated January 26, 2018,
14 he admits that a copy of the key for Cascade Falls and provided it to the buyers so they
15 "could let the alarm company install an alarm system."

16 16. RESPONDENT did not have permission from the seller to allow the
17 installation of an alarm system.

18 17. On or about December 14, 2017, the buyers and seller of Cascade Falls
19 executed Addendum #1 to the Residential Offer and Acceptance Agreement, which specified
20 that the close of escrow was to take place on January 30, 2017 and the sales price was to
21 be \$290,000.

22 18. On or about January 11, 2017, the buyers and seller of Cascade Falls executed
23 Addendum #3, which pushed the close of escrow to March 31, 2017, and had the buyers
24 assume all HOA transfer fees and HOA buy-in fees.

25 19. On or about February 28, 2017, and again on March 2, 2017, RESPONDENT
26 presented the buyers with the option of paying the second lien holder on Cascade Falls
27 outside of the short sale transaction.

28

1 impose an administrative fine of up to \$10,000 per violation against RESPONDENT and
2 further to suspend, revoke or place conditions on the license of RESPONDENT.

3 2. Pursuant to NRS 645.314, the Division is authorized to request reimbursement
4 of its investigative costs where the investigation was undertaken for disciplinary purposes.

5 3. Additionally, under NRS 622.400, the Commission is authorized to impose costs
6 of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if
7 the Commission otherwise imposes discipline on RESPONDENT.

8 4. Therefore, the Division requests that the Commission take such disciplinary
9 action, as it deems appropriate under the circumstances.

10 **STIPULATED AGREEMENT**

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

- 14 a. RESPONDENT admits to the facts as stated above. RESPONDENT does not
15 admit to the above violations.
- 16 b. RESPONDENT agrees to pay an administrative fine in the amount of
17 \$3,500.00 plus \$4,241.82 in administrative costs, for a total of \$7,741.82.
18 RESPONDENT agrees to pay \$1,500.00 within 30 days of the Commission's
19 order accepting this settlement agreement. The balance must be paid in 12
20 equal monthly payments of \$520.15 over the course of one (1) year beginning
21 from the date of the first payment.
- 22 c. RESPONDENT agrees to complete fifteen (15) hours of continuing education
23 within one (1) year of the Commission's order accepting this settlement
24 agreement. The continuing education shall include three (3) hours of
25 contracts; six (6) hours of agency, and six (6) hours of ethics. None of the 15
26 hours of continuing education shall be counted toward the real estate license
27 renewal continuing education requirements.
- 28 d. RESPONDENT agrees to make full restitution to the Dormans in the amount

1 of \$1,628.75 within thirty (30) days of the Commission's order accepting this
2 settlement agreement.

3 2. If the any portion of the payment is not timely received, by the Division, it
4 shall be construed as an event of default by RESPONDENT.

5 3. If the continuing education is not timely completed in accordance with the
6 terms of this agreement, it shall be construed as an event of default by the RESPONDENT.

7 4. **Default.** In the event of default, RESPONDENT agrees that his license shall
8 be immediately suspended, and the unpaid balance of the administrative fine and costs,
9 together with any attorney's fees and costs that may have been assessed, shall be due in
10 full to the Division within ten (10) calendar days of the date of default. Debt collection
11 actions for unpaid monetary assessments in this case may be instituted by the Division or
12 its assignee. RESPONDENT agrees that the foregoing suspension of his license shall
13 continue until the unpaid monetary assessments are paid in full. RESPONDENT agrees
14 that his license shall also be immediately suspended if he fails to timely attend and
15 complete the above continuing education. RESPONDENT agrees that the suspension of
16 his license shall continue until the continuing education is completed.

17 5. The Division agrees not to pursue any other or greater remedies or fines in
18 connection with RESPONDENT's alleged conduct referenced herein. The Division further
19 agrees that unless RESPONDENT defaults, the Division will not bring any claim or cause
20 directly or indirectly based upon any of the facts, circumstances, or allegations discovered
21 during the Division's investigation and prosecution of this case.

22 6. RESPONDENT agrees and understands that by entering into this
23 Stipulation, RESPONDENT is waiving his right to a hearing at which RESPONDENT may
24 present evidence in defense, waiving his right to a written decision on the merits of the
25 complaint, waiving his rights to reconsideration and/or rehearing, appeal and/or judicial
26 review, and all other rights which may be accorded by the Nevada Administrative
27 Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and
28 accompanying regulations, and the federal and state Constitutions. RESPONDENT

1 understands that this Agreement and other documentation may be subject to public records
2 laws. The Commission members who review this matter for approval of this Stipulation
3 may be the same members, who ultimately hear, consider, and decide the Complaint if this
4 Stipulation is either not approved by the Commission or is not timely performed by
5 RESPONDENT. RESPONDENT fully understands that he has the right to be represented
6 by legal counsel in this matter at his own expense.

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

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

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

20 10. **Indemnification.** RESPONDENT hereby indemnifies and holds harmless
21 the State of Nevada, the Department of Business and Industry, the Division, and each of
22 their respective members, agents, employees, and counsel, in their individual and
23 representative capacities, against any and all claims, suits, and actions brought against
24 said persons and/or entities by reason of the Division's investigation, this disciplinary
25 action, and all other matters relating thereto, and against any and all expenses, damages,
26 and costs, including court costs and attorney fees, which may be sustained by the persons
27 and/or entities named in this section as a result of said claims, suits, and actions.
28

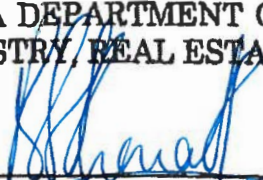
1 The parties have signed and dated this Stipulation only after reading and
2 understanding all terms herein.

3 DATED this 7 day of December 2020.

DATED this 15 day of December 2020.

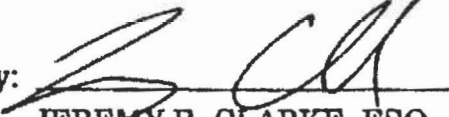
4 NEVADA DEPARTMENT OF BUSINESS
5 & INDUSTRY, REAL ESTATE DIVISION

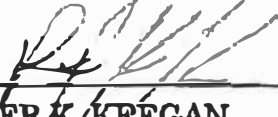
6 By: 
7 **BLAKE WILLIAMS**
8 Respondent

By: 
SHARATH CHANDRA
Administrator

9 Approved as to form:
10 SIMONS HALL JOHNSTON PC

Approved as to form:
AARON D. FORD
Attorney General

11 By: 
12 **JEREMY B. CLARKE, ESQ.**
13 *Attorney for the Respondent*

By: 
14 **PETER K. KEEGAN**
15 Deputy Attorney General
16 *Attorney for the Real Estate Division*

17
18
19
20
21
22
23
24
25
26
27
28

1 BEFORE THE REAL ESTATE COMMISSION

2 STATE OF NEVADA

3 SHARATH CHANDRA, Administrator,
4 REAL ESTATE DIVISION,
5 DEPARTMENT
6 OF BUSINESS & INDUSTRY,
7 STATE OF NEVADA,

Case No. 2018-48

8 Petitioner,

9 vs.

10 BLAKE WILLIAMS,

11 Respondent.

12 ORDER APPROVING STIPULATION

13 The Stipulation for Settlement of Disciplinary Action having come before the Real
14 Estate Commission, Department of Business and Industry, State of Nevada, during its
15 regular agenda on December 8, 2020, and the Commission being fully apprised of
16 terms and good cause appearing,

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

19 This Order shall become effective on the 8 day of December 2020.

20 NEVADA REAL ESTATE COMMISSION

21
22
23 By: 

24 [Print Name] DEVIN REISS

25 Commission President
26
27
28