

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

vs.

STEPHEN CONNOLLY,

(B. 1000794.INDV),

Respondent.

Case No. 2021-759

**STIPULATION AND ORDER  
FOR SETTLEMENT  
OF DISCIPLINARY ACTION**

**FILED**

JUN 30 2022

REAL ESTATE COMMISSION

BY Sherece Bates

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"), by and through their attorney of record, Louis V. Csoka, Deputy Attorney General, and Stephen Connolly ("RESPONDENT"), by and through his attorney, R. Scott Rasmussen, Esq., of Murchison & Cumming, LLP.

RESPONDENT, at all relevant times mentioned in this Complaint, was licensed by the Division as a broker. He is therefore subject to the jurisdiction of the Division and the Commission and the provisions of NRS chapter 645 and NAC chapter 645. Below is a Summary of Factual Allegations set forth in the Complaint. These are allegations and none of the alleged facts contained therein have been proven in this case. All allegations are contested by the Respondent and none of the allegations have been agreed to as established as a fact by the Respondent or Petitioner to this matter. Respondent denies that he was in violation of any statute or code cited below and no violation has been established as a matter of fact or law by the Division, Petitioner or the Respondent.

**SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT**

1. At all times relevant, RESPONDENT held a Nevada Broker License, B. 1000794.INDV, issued by the Division on March 29, 2011.

1           2.       On or about July 14, 2021, the Division received a complaint/statement of fact  
2 from Reza Bayati (Complainant).

3           3.       The complaint alleged that RESPONDENT wrongfully purchased property,  
4 located at 3300 Graham Road, Silver Springs, NV 89429 ("subject property"), for  
5 RESPONDENT's personal gain while functioning as Complainant's agent and broker for  
6 the subject property.

7           4.       On or about May 21, 2021, Complainant and RESPONDENT entered into a  
8 broker-client relationship regarding properties located in Hawthorne, Nevada.

9           5.       Between May 21, 2021, and May 30, 2021, Complainant and RESPONDENT  
10 communicated about multiple properties located throughout rural towns in northern  
11 Nevada.

12           6.       Between May 21, 2021, and May 30, 2021, RESPONDENT contacted different  
13 agents and property owners on Complainant's behalf.

14           7.       On May 30, 2021, Complainant and RESPONDENT met in Hawthorne,  
15 Nevada, to view different properties in the area.

16           8.       On May 31, 2021, Complainant asked RESPONDENT to submit an offer on a  
17 property.

18           9.       On June 1, 2021, RESPONDENT and Complainant texted several times  
19 discussing one or more properties the Complainant was interested in purchasing.

20           10.      On June 2, 2021, RESPONDENT and Complainant texted several times  
21 discussing one or more properties the Complainant was interested in purchasing.

22           11.      On June 3, 2021, RESPONDENT and Complainant texted several times  
23 discussing one or more properties the Complainant was interested in purchasing.

24           12.      On June 4, 2021, RESPONDENT and Complainant texted several times  
25 discussing one or more properties the Complainant was interested in purchasing.

26           13.      On June 5, 2021, RESPONDENT and Complainant texted several times  
27 discussing one or more properties the Complainant was interested in purchasing.

28

1           14.    On June 6, 2021, Complainant texted RESPONDENT and asked when he  
2 could view property located at 440 G Street.

3           15.    On June 7, 2021, RESPONDENT and Complainant discussed where  
4 Complainant could obtain financing for a real estate purchase.

5           16.    On June 8, 2021, Complainant signed a Duties Owed by a Nevada Real Estate  
6 Licensee that identified RESPONDENT as the licensee representing Complainant.

7           17.    On June 8, 2021, RESPONDENT and Complainant texted several times  
8 discussing multiple properties and submitting an offer on one of the properties.

9           18.    On June 8, 2021, RESPONDENT submitted a Residential Offer and  
10 Acceptance Agreement to purchase the subject property on behalf of Complainant.

11          19.    The June 8, 2021, Residential Offer and Acceptance Agreement listed  
12 RESPONDENT as Complainant's representation.

13          20.    The Lyon County Public Administrator rejected the June 8, 2021, offer.

14          21.    On June 10, 2021, RESPONDENT and Complainant texted several times  
15 discussing one or more properties.

16          22.    On June 12, 2021, RESPONDENT and Complainant discussed meeting to  
17 view one or more properties.

18          23.    On June 24, 2021, the listing agent for the subject property emailed  
19 RESPONDENT to inform him the court would accept bids to purchase the subject property  
20 on July 12, 2021.

21          24.    On June 24, 2021, RESPONDENT emailed Complainant regarding the court  
22 date to bid on the subject property.

23          25.    On June 25, 2021, Complainant emailed RESPONDENT and asked him to  
24 notify the listing agent that they would be attending the court hearing to bid on the subject  
25 property.

26          26.    On June 28, 2021, Complainant texted RESPONDENT to add walkthrough  
27 provisions to a purchase agreement.

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1           27.    On June 29, 2021, Complainant and RESPONDENT discussed purchasing the  
2 subject property.

3           28.    On June 29, 2021, RESPONDENT advised Complainant how much cash was  
4 needed to purchase the property, and Complainant noted he would attend the court hearing  
5 regarding the subject property on July 12, 2021.

6           29.    On July 11, 2021, Complainant texted RESPONDENT that he planned to look  
7 at the properties before going to the court.

8           30.    For nearly two months prior to July 12, 2021, RESPONDENT represented  
9 Complainant as his real estate broker, and RESPONDENT had contacted numerous real  
10 estate agents and property owners on behalf of Complainant.

11          31.    Before, during, and after the court hearing on July 12, 2021, Complainant  
12 understood RESPONDENT to be his broker regarding the subject property.

13          32.    On July 12, 2021, RESPONDENT appeared at the hearing and represented  
14 Complainant to bid for the subject property.

15          33.    On July 12, 2021, Complainant appeared with RESPONDENT at the hearing.

16          34.    On July 12, 2021, at the conclusion of the auction, the judge announced  
17 RESPONDENT as the winning bidder for the subject property.

18          35.    On July 12, 2021, at the conclusion of the hearing, RESPONDENT and  
19 Complainant met with the listing agent, Laurie Mookini (S.0177525), and provided the  
20 listing agent with Complainant's proof of funds to purchase the subject property.

21          36.    On July 12, 2021, at the conclusion of the hearing, RESPONDENT stated to  
22 the listing agent that he wanted to "give his winning bid" to Complainant.

23          37.    On July 12, 2021, Complainant texted RESPONDENT and asked if he would  
24 write the offer to purchase the subject property or if the listing agent would prepare the  
25 contract.

26          38.    On July 12, 2021, RESPONDENT emailed the listing agent and notified her  
27 that he was the high bidder for the subject property.

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1           39. The listing agent responded to the July 12, 2021, email and needed  
2 clarification that RESPONDENT was the buyer rather than Complainant.

3           40. On July 12, 2021, RESPONDENT verified with the listing agent that  
4 RESPONDENT was the buyer.

5           41. On July 13, 2021, Complainant texted RESPONDENT and asked him to write  
6 the offer for the subject property so they “can start escrow.”

7           42. After realizing that RESPONDENT was purchasing the subject property for  
8 himself, Complainant texted RESPONDENT and told him he believed RESPONDENT was  
9 breaking his client’s relationship for personal gain. RESPONDENT responded and stated  
10 that they did not have a buyer/broker agreement.

11           43. On July 26, 2021, the Division sent RESPONDENT a letter notifying him of  
12 the complaint and open investigation.

13           44. In the July 26, 2021, letter, the Division requested a complete copy of the  
14 broker’s transaction file for the subject property, including copies of all emails, text  
15 messages, or other written communication.

16           45. In response to the Division’s investigation, RESPONDENT submitted an  
17 affidavit to the Division that was sworn on July 28, 2021.

18           46. In RESPONDENT’s July 28, 2021, affidavit, RESPONDENT swore that he  
19 “had not been communicating with Reza Bayati for at least three to four weeks other than  
20 informing him of the probate court date.”

21           47. In RESPONDENT’s July 28, 2021, affidavit, RESPONDENT swore that he  
22 went to the July 12, 2021, court hearing “alone to attend a probate sale.”

23           48. During the course of the investigation, in October 2021, the Division contacted  
24 the listing agent for the subject property, Laurie Mookini. Ms. Mookini provided the  
25 Division with additional correspondence from RESPONDENT regarding the subject  
26 property that RESPONDENT did not previously disclose to the Division.

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1                   **SUMMARY OF VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

2           1.       RESPONDENT violated NRS 645.633(1)(i), as defined by NAC 645.605(11)(c),  
3 by supplying false information to an investigator of the Division, namely, that  
4 RESPONDENT “had not been communicating with Reza Bayati for at least three to four  
5 weeks other than informing him of the probate court date.”

6           2.       RESPONDENT violated NRS 645.633(1)(i), as defined by NAC 645.605(11)(c),  
7 by supplying false information to an investigator of the Division, namely, that  
8 RESPONDENT went to the July 12, 2021, court hearing “alone to attend a probate sale.”

9           3.       RESPONDENT violated NRS 645.633(1)(i), as defined by NAC 645.605(11)(a),  
10 by failing to provide the Division with all documents and communication related to the sale  
11 of the subject property.

12          4.       RESPONDENT violated NRS 645.3205 and NRS 645.633(1)(i) for his  
13 dishonest dealings with the listing agent of the subject property on July 12, 2021.

14          5.       RESPONDENT violated NRS 645.633(1)(h) and/or NRS 645.633(1)(i), as  
15 defined by NAC 645.605(4), by failing to disclose to Complainant, in writing, his interest or  
16 contemplated interest in the subject property.

17          6.       RESPONDENT violated NRS 645.633(1)(h), as defined by NAC 645.605(6), by  
18 purchasing the subject property for his personal benefit; thereby not representing the  
19 Complainant with absolute fidelity.

20          7.       RESPONDENT violated NRS 645.633(1)(i) by leading Complainant to believe  
21 that RESPONDENT was his broker during the court hearing held on July 12, 2021,  
22 regarding the subject property; thereby, deceitfully, fraudulently, or dishonestly dealing  
23 with Complainant.

24                   **PROPOSED SETTLEMENT**

25           In an effort to avoid the time and expense of litigating these issues before the  
26 Commission, the parties desire to compromise and settle the instant controversy upon the  
27 following terms and conditions:

28           1.       RESPONDENT agrees to pay the Division a total amount of \$15,000.00

1 ("Amount Due"), consisting of a \$ 11,792.54 fine imposed by the Division and the Division's  
2 pre-hearing costs and attorneys' fees in the amount of \$4,207.46.

3 2. The Amount Due shall be payable to the Division as follows: RESPONDENT  
4 shall pay the entire sum of \$ 15,000.00, within 30 days of date of the order approving this  
5 Stipulation.

6 3. RESPONDENT agrees to complete, within ninety (90) days of the date of the  
7 order approving this settlement, nine (9) hours of continuing education, which shall be  
8 comprised of three (3) hours in agency, three (3) hours in contracts, and three (3) hours in  
9 ethics, in addition to any other continuing education requirements required for continued  
10 licensure.

11 4. RESPONDENT and the Division agree that by entering into this Stipulation,  
12 the Division does not concede any defense or mitigation RESPONDENT may assert and  
13 that once this Stipulation is approved and fully performed, the Division will close its file in  
14 this matter.

15 5. RESPONDENT agrees and understands that by entering into this  
16 Stipulation, RESPONDENT is waiving his right to a hearing at which RESPONDENT may  
17 present evidence in his defense, his right to a written decision on the merits of the  
18 complaint, his rights to reconsideration and/or rehearing, appeal and/or judicial review,  
19 and all other rights which may be accorded by the Nevada Administrative Procedure Act,  
20 the Nevada Real Estate Brokers and Salespersons statutes and accompanying regulations,  
21 and the federal and state Constitutions.

22 6. RESPONDENT understands that this Agreement and other documentation  
23 may be subject to public records laws. The Commission members who review this matter  
24 for approval of this Stipulation may be the same members who ultimately hear, consider,  
25 and decide the Complaint if this Stipulation is either not approved by the Commission or  
26 is not timely performed by RESPONDENT.

27 7. RESPONDENT fully understands that he has the right to be represented by  
28 legal counsel in this matter at his own expense.

1           8.     Each party shall bear their own attorney's fees and costs, except as provided  
2 above.

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

9           10.    Withdrawal of Stipulation. If the Commission rejects this Stipulation or  
10 suggests amendments unacceptable to RESPONDENT, RESPONDENT may withdraw  
11 from this Stipulation, and the Division may pursue its Complaint before the Commission.  
12 This Stipulation then shall become null and void and unenforceable in any manner against  
13 either party.

14           11.    Release. In consideration of the execution of this Stipulation, RESPONDENT  
15 for himself, his heirs, executors, administrators, successors, and assigns, hereby releases,  
16 remises, and forever discharges the State of Nevada, the Department of Business and  
17 Industry, and the Division, and each of their respective members, agents, employees, and  
18 counsel in their individual and representative capacities, from any and all manner of  
19 actions, causes of action, suits, debts, judgments, executions, claims, and demands  
20 whatsoever, known and unknown, in law or equity, that RESPONDENT ever had, now has,  
21 may have, or claim to have against any or all of the persons or entities named in this  
22 section, arising out of or by reason of the Division's investigation, this disciplinary action,  
23 and all other matters relating thereto.

24           12.    Indemnification. RESPONDENT hereby agrees to indemnify and hold  
25 harmless the State of Nevada, the Department of Business and Industry, Petitioner, the  
26 Division, and each of their respective members, agents, employees, and counsel, in their  
27 individual and representative capacities, against any and all claims, suits, and actions  
28 brought against said persons and/or entities by reason of the Division's investigation, this



1 disciplinary action, and all other matters relating thereto, and against any and all  
2 expenses, damages, and costs, including court costs and attorney fees, which may be  
3 sustained by the persons and/or entities named in this section as a result of said claims,  
4 suits, and actions.

5 13. Default. In the event of default under this Stipulation, RESPONDENT agrees  
6 that his license shall be immediately suspended, and the unpaid balance of the  
7 administrative fine and costs, together with any attorneys' fees and costs that may have  
8 been assessed, shall be due in full to the Division within ten calendar days of the date of  
9 default. Debt collection actions for unpaid monetary assessments in this case may be  
10 instituted by the Division or its assignee.

11 14. RESPONDENT has signed and dated this Stipulation only after reading and  
12 understanding all terms herein.

13 DATED this \_\_\_\_\_ day of June, 2022.

14  
15 NEVADA DEPARTMENT OF BUSINESS  
16 & INDUSTRY, REAL ESTATE DIVISION

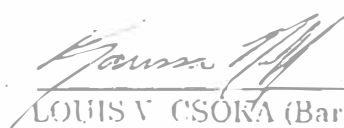
17 By \_\_\_\_\_  
18 SHARATH CHANDRA  
19 Administrator


By \_\_\_\_\_  
STEPHEN CONNOLLY

20 Approved as to form:

Approved as to form:

21 AARON D. FORD  
22 Attorney General

23 By:  <sup>NV Bar</sup>  
24 LOUIS V. CSOKA (Bar. No. 7667) <sub>No 9133 for</sub>  
25 Deputy Attorney General  
26 555 E. Washington Avenue, Suite 3900  
27 Las Vegas, NV 89101  
28 Attorneys for Real Estate Division

By:   
R. SCOTT RASMUSSEN (Bar No. \_\_\_\_\_)  
Murchison & Cumming, LLP  
350 South Rampart Boulevard, Suite 320  
Las Vegas, Nevada 89145  
Attorney for Respondent

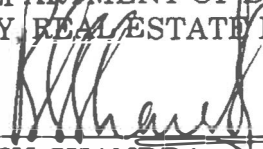
1 disciplinary action, and all other matters relating thereto, and against any and all  
2 expenses, damages, and costs, including court costs and attorney fees, which may be  
3 sustained by the persons and/or entities named in this section as a result of said claims,  
4 suits, and actions. 06/22/22

5 13. Default. In the event of default under this Stipulation, RESPONDENT agrees  
6 that his license shall be immediately suspended, and the unpaid balance of the  
7 administrative fine and costs, together with any attorneys' fees and costs that may have  
8 been assessed, shall be due in full to the Division within ten calendar days of the date of  
9 default. Debt collection actions for unpaid monetary assessments in this case may be  
10 instituted by the Division or its assignee.

11 14. RESPONDENT has signed and dated this Stipulation only after reading and  
12 understanding all terms herein.

13 DATED this 23 day of June, 2022.

15 NEVADA DEPARTMENT OF BUSINESS  
16 & INDUSTRY, REAL ESTATE DIVISION

17 By:   
18 SHARATH CHANDRA -  
19 Administrator


By:   
STEPHEN CONNOLLY

19 Approved as to form:

Approved as to form:

20 AARON D. FORD  
21 Attorney General

23 By: \_\_\_\_\_  
24 LOUIS V. CSOKA (Bar. No. 7667)  
25 Deputy Attorney General  
26 555 E. Washington Avenue, Suite 3900  
27 Las Vegas, NV 89101  
28 Attorneys for Real Estate Division

By:   
R. SCOTT RASMUSSEN (Bar. No. 2000)  
Murchison & Cumming, LLP  
350 South Rampart Boulevard, Suite 320  
Las Vegas, Nevada 89145  
Attorney for Respondent

1 **ORDER**

2 IT IS ORDERED that the foregoing Stipulation and Order for Settlement of  
3 Disciplinary Action, submitted by Petitioner and Respondent, is approved in full.

4 Dated: June 29, 2022.

5 REAL ESTATE COMMISSION  
6 STATE OF NEVADA

7  
8 By:   
9 President, Nevada Real Estate Commission

10 Submitted by:

11 AARON FORD, Attorney General

12 By:

13 */s/ Karissa Neff*

14 Karissa D. Neff (Bar No. 9133)  
15 Senior Deputy Attorney General  
16 555 E. Washington Ave. Ste 3900  
17 Las Vegas, Nevada 89101  
18 Attorneys for Real Estate Division  
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