

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. 2021-1227

Petitioner,

FILED

7 vs.

AUG 16 2022

8 KENNETH R. CALDER,

REAL ESTATE COMMISSION
BY 

9 Respondent.

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 KENNETH R. CALDER (“CALDER”
13 AND/OR “RESPONDENT”), of an administrative hearing before the STATE OF NEVADA REAL
14 ESTATE COMMISSION (“Commission”). The hearing will be held pursuant to Chapters 233B and
15 Chapter 645 of the Nevada Revised Statutes (“NRS”) and Chapter 645 of the Nevada Administrative
16 Code (“NAC”). The purpose of the hearing is to consider the allegations stated below and to determine
17 if RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or NRS
18 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

19 **JURISDICTION**

20 RESPONDENT was at all relevant times mentioned in this Complaint, licensed as a broker with
21 the Division and also holds a property management permit from the Division, and is therefore subject to
22 the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC
23 chapter 645.

24 **FACTUAL ALLEGATIONS**

25 1. At all relevant times, RESPONDENT was a manager of Addicted Realty LLC, a Nevada
26 limited liability company (“Addicted Realty”). [Ex. C, Bates No. NRED 10-11]

27 2. Addicted Realty is a real estate brokerage and provides property management services.
28

1 3. RESPONDENT is licensed as a broker under B.1001776.LLC and B.1001777.INDV and holds
2 property management permits PM.0165690.BKR and PM.0166724.BKR. [Ex. A, Bates No. NRED 2]

3 4. George L. Anderson III (“Anderson”) is also listed as a manager of Addicted Realty according
4 to the Nevada Secretary of State’s records. [Ex. C, Bates No. NRED 11]

5 5. Anderson is licensed by the Division as a broker with the Division under licenses
6 B.1001398.LLC and B.1001399.INDV. [Ex. A, Bates No. NRED 4]

7 6. Anderson formerly held property management permits from the Division; however, said
8 property management permits were revoked by the Commission’s order effective August 5, 2021. [Ex.
9 B, Bates No. NRED 7]

10 7. On or around December 21, 2021, an individual (“Complainant”) signed a complaint submitted
11 to the Division, stating that she owned property located at 75 N. Valle Verde, Unit 412 in Henderson
12 Nevada (“Property”) that was managed by Addicted Realty. [Ex. D, Bates No. NRED 13-14]

13 8. The Complainant stated that Addicted Realty sent monthly payments to her late with no
14 monthly statements, that the payments were made in varying amounts, and that even though she had
15 requested owner’s statements, they were never provided. [Ex. D, Bates No. NRED 14]

16 9. The Complainant further stated that in October of 2021, she gave written notice to Addicted
17 Realty that she was terminating her property management agreement with them and had hired Las Vegas
18 TurnKey Rentals (“TurnKey”) to manage the Property beginning on November 1, 2021. [Ex. D, Bates
19 No. NRED 14]

20 10. The Complainant stated that Addicted Realty failed to transfer the security deposit to
21 TurnKey within the legal timeframe, and to date, had made no attempt to transfer the security deposit to
22 TurnKey. [Ex. D, Bates No. NRED 14]

23 11. On or around December 27, 2021, the Division’s investigator emailed RESPONDENT,
24 stating that she had enclosed an opening letter for a case against him, and a sworn declaration/affidavit
25 to be returned to the Division. [Ex. E, Bates No. NRED 15]

26 12. RESPONDENT responded to the Division’s investigator that he had “received” her email.
27 [Ex. E, Bates No. NRED 15]

1 13. On or around January 4, 2022, RESPONDENT was properly notified by the Division that
2 it had opened an investigation and requested that RESPONDENT provide the complete broker's
3 transaction file for the Property and requested a sworn declaration regarding his knowledge of all matters
4 set forth in complainant's complaint ("Requested Documents") [Ex. F, Bates No. NRED 21]

5 14. The Division also opened an investigation against Anderson stemming from the
6 Complainant's complaint that was submitted to the Division. [Ex. F, Bates No. NRED 22]

7 15. After receiving no response or the Requested Documents from RESPONDENT, on or
8 around April 12, 2022, the Division sent RESPONDENT a follow-up letter requesting a response by
9 January 19, 2022. [Ex. G, Bates No. NRED 25-26]

10 16. On April 12, 2022, the Division's investigator emailed the Complainant and asked if she
11 had received the 1099 documents from Addicted Realty, the complete security deposit and transmittal,
12 and the owner's statements. [Ex. H, Bates No. NRED 29]

13 17. The Complainant responded that she had never received owner's statements from
14 Addicted Realty for the Property for 2019, 2020, and 2021, despite her requests for them and an
15 explanation why the amounts paid to her each month varied. [Ex. H, Bates No. NRED 28]

16 18. The Complainant also stated that she had not received 1099's for the Property for 2019,
17 2020, or 2021. [Ex. H, Bates No. NRED 28]

18 19. The Complainant also stated that TurnKey had received a partial security deposit back
19 from Addicted Realty but not the full amount, despite TurnKey's broker making several attempts to
20 obtain it. [Ex. H, Bates No. NRED 28]

21 20. The Complainant further stated that she sold the Property in February of 2022 and that
22 she was responsible for transferring the remaining amount of the security deposit [not received from
23 Addicted Realty] to the new owners/property management company. [Ex. H, Bates No. NRED 28]

24 21. TurnKey's broker also responded to the Divisions investigation. [Ex. H, Bates No. NRED
25 27]

26 22. He stated that he made multiple attempts to collect funds held on account from Addicted
27 Realty, eventually received \$1,750.00 from it thirty days after management of the Property was
28 transitioned to Turnkey, that a \$300.00 cleaning fee was never transferred from Addicted Realty to

1 TurnKey, that the original lease, application, and back up keys for the Property were not turned over to
2 TurnKey until more than three weeks after TurnKey took over management. [Ex. H, Bates No. NRED
3 27]

4 23. TurnKey's broker further stated when the Complainant sold the Property in March of
5 2022, she incurred damages in the amount of \$300.00 to fulfill the transfer of funds [i.e. the tenant
6 deposits] to the new buyer under the original lease agreement made between the tenant and Addicted
7 Realty on Complainant's behalf. [Ex. H, Bates No. NRED 27]

8 24. After not receiving any response from RESPONDENT to its initial letter or its follow-up
9 letter, on May 6, 2022, the Division properly notified RESPONDENT it would be filing a complaint for
10 hearing before the Commission. [Ex I, Bates No. NRED 30-31]

11 25. On or around July 10, 2022, RESPONDENT untimely signed a response affidavit to the
12 Division's investigation and provided the Division with certain documents related to the management of
13 the Property. [Ex. J, Bates No. NRED 33]

14 26. In response to Claimant's contention that Addicted Realty failed to provide her owner's
15 statements and made payouts to her in varying amounts, RESPONDENT stated in part, that the
16 Complainant was a real estate agent with George Anderson Brokerage and that her owner's statements
17 were available on the owner portals. [Ex. J, Bates No. NRED 36]

18 27. RESPONDENT stated in response to Claimant's contention that she received different
19 payouts monthly, that "payments may differ due to maintenance issues, move/in/move out costs, the
20 amount of tenant payment, collected late fees etc." [Ex. J, Bates No. NRED 36]

21 28. In response to Claimant's contention that Addicted Realty failed to transfer the security
22 deposit timely to Turnkey, RESPONDENT stated that the Complainant informed them she would be
23 transferring management of the Property to TurnKey effective November 1, 2021, and that Addicted
24 Realty transferred the security deposit to TurnKey by check that cleared Addicted Realty's bank on
25 November 30, 2021. [Ex. J, Bates No. NRED 36]

26 29. RESPONDENT also provided the Division with a copy of a check issued on November
27 22, 2021 in the amount of \$1,750.00 to Turn Key. [Ex. M, Bates No NRED 418].

28 30. RESPONDENT failed to timely respond to the Division's investigation.

1 31. Although RESPONDENT transferred a portion of the security deposit to TurnKey in the
2 amount of \$1,750.00, RESPONDENT failed to transfer the \$300.00 cleaning tenant deposit to TurnKey,
3 and thus failed to timely transfer the entirety of the tenant deposits to TurnKey.

4 5 **VIOLATIONS OF LAW**

6 32. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(11)(a) by impeding
7 or attempting to impede the Division's investigation by failing to timely provide the Division with the
8 Requested Documents.

9 36. RESPONDENT violated NRS 645.630(1)(f) by failing, within a reasonable time, to account
10 for or remit money in his possession belonging to others, by failing to timely transfer the entirety of the
11 tenant deposits for the Property to TurnKey.

12 **DISCIPLINE AUTHORIZED**

13 1. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an
14 administrative fine of up to \$10,000 per violation against RESPONDENT and further to suspend, revoke
15 or place conditions on the license of RESPONDENT.

16 2. Additionally, under NRS Chapter 622, the Commission is authorized to impose costs of the
17 proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the Commission
18 otherwise imposes discipline on RESPONDENT.

19 3. Therefore, the Division requests that the Commission take such disciplinary action as it deems
20 appropriate under the circumstances.

21 **NOTICE OF HEARING**

22 **PLEASE TAKE NOTICE** that a disciplinary hearing has been set to consider the Administrative
23 Complaint against the above-named RESPONDENT in accordance with Chapters 233B and 645 of the
24 Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

25 **THE HEARING WILL TAKE PLACE on September 27, 2022, commencing at 9:00 a.m.,**
26 **or as soon thereafter as the Commission is able to hear the matter, and each day thereafter**
27 **commencing at 9:00 a.m. through September 29, 2022, or earlier if the business of the Commission**
28 **is concluded. The Commission meeting will be held on September 27, 2022, at the Nevada State**

1 **Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102.**
2 **The meeting will continue on September 28, 2022, at the Nevada State Business Center, 3300 West**
3 **Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102, commencing at 9:00 a.m.,**
4 **and on September 29, 2022, should business not be concluded, starting at 9:00 a.m. at the Nevada**
5 **State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada**
6 **89102.**

7 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**
8 **time as part of a regular meeting of the Commission that is expected to last from September 27,**
9 **2022 through September 29, 2022, or earlier if the business of the Commission is concluded. Thus,**
10 **your hearing may be continued until later in the day or from day to day. It is your responsibility**
11 **to be present when your case is called. If you are not present when your hearing is called, a default**
12 **may be entered against you and the Commission may decide the case as if all allegations in the**
13 **complaint were true. If you have any questions please call Shareece Bates, Administration Section**
14 **Manager at (702) 486-4036.**

15 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open
16 meeting under Nevada’s open meeting law and may be attended by the public. After the evidence and
17 arguments, the commission may conduct a closed meeting to discuss your alleged misconduct or
18 professional competence. You are entitled to a copy of the transcript of the open and closed portions of
19 the meeting, although you must pay for the transcription.

20 As the Respondent, you are specifically informed that you have the right to appear and be heard
21 in your defense, either personally or through your counsel of choice. At the hearing, the Division has the
22 burden of proving the allegations in the complaint and will call witnesses and present evidence against
23 you. You have the right to respond and to present relevant evidence and argument on all issues involved.
24 You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
25 witnesses on any matter relevant to the issues involved.

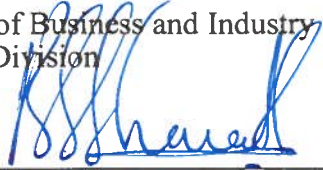
26 You have the right to request that the Commission issue subpoenas to compel witnesses to testify
27 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate
28

1 the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in
2 NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.875.

3 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC
4 645 and if the allegations contained herein are substantially proven by the evidence presented and
5 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
6 pursuant to NRS 645.235, 645.633 and or 645.630.

7 DATED this 9 day of August, 2022.

8 State of Nevada
9 Department of Business and Industry
10 Real Estate Division

11 By: 
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13 3300 West Sahara Avenue, Suite 350
14 Las Vegas, Nevada 89102

15 AARON D. FORD
16 Attorney General

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