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ANS  
Andrew H. Pastwick, ESQ.  
Nevada Bar No. 009146  
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Attorney for Defendant  
Candace Easdale

**FILED**  
DEC 07 2022  
REAL ESTATE COMMISSION  
BY Kelly Valadez

**BEFORE THE REAL ESTATE COMMISSION**

**STATE OF NEVADA**

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

Case No.: 2020-633

Petitioner,

**RESPONDENT'S ANSWER**

v.

Date of Hearing: December 13, 2022  
Time of Hearing: 9:00 a.m.

CANDACE EASDALE,  
Respondent.

COMES NOW Respondent CANDACE EASDALE, [hereinafter referred to as  
"Answering Respondent"], by and through her attorneys of record, Andrew H. Pastwick, Esq.  
and the law office of Andrew H. Pastwick, LLC, and in response to Petitioner's Complaint on  
file herein, admits, denies, and alleges as follows:

**FACTUAL ALLEGATIONS**

1. Answering Paragraphs 1, 2, 3, 4, and 5 of the Complaint on file herein, Answering Respondent admits to the allegations set forth in said paragraphs.
2. Answering Paragraph 6 of the Complaint on file herein, Answering Respondent denies the allegations as set forth in said paragraph.

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3. Answering Paragraphs 7, 8 and 9 of the Complaint on file herein, Answering Respondent admits the allegations as set forth in said paragraphs.

4. Answering Paragraphs 10 and 11 of the Complaint on file herein, Answering Respondent denies the allegations as set forth in said paragraphs.

5. Answering Paragraphs 12, 13 and 14 of the Complaint on file herein, Answering Respondent admits the allegations as set forth in said paragraph per the homeowner's instructions.

6. Answering Paragraphs 15 and 16 of the Complaint on file herein, Answering Respondent denies the allegations as set forth in said paragraphs.

7. Answering Paragraphs 17 and 18 of the Complaint on file herein, Answering Respondent admits the allegations as set forth in said paragraph per the homeowner's instructions.

8. Answering Paragraph 19 of the Complaint on file herein, Answering Respondent denies the allegations as set forth in said paragraph.

9. Answering Paragraph 20 of the Complaint on file herein, Answering Respondent is unable to admit or deny the allegations as set forth in said paragraph.

10. Answering Paragraphs 21 and 22 of the Complaint on file herein, Answering Respondent admits the allegations as set forth in said paragraphs.

11. Answering Paragraph 23 of the Complaint on file herein, Answering Respondent is unable to admit or deny the allegations as set forth in said paragraph.

**VIOLATIONS OF LAW**

12. Answering Paragraphs 24, 25, 26, 27, 28 and 29 of the Complaint on file herein, Answering Respondent denies the allegations as set forth in said paragraphs.

**DISCIPLINE AUTHORIZED**

1  
2 13. Answering Paragraphs 30, 31, 32 and 33 of the Complaint on file herein, the  
3 paragraph contains a statement of law and therefore Answering Respondent is unable to admit or  
4 deny the allegations as set forth in said paragraphs.

5 Answering Respondent prays that this Tribunal finds that she did not commit any violations  
6 and therefore is not subject to any administrative penalty as set forth in NRS 645.633 and/or NRS  
7 645.630 and/or NRS 622.400.

**STATEMENT**

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9  
10 In or around March 2018, Michael Kellner entered into three property management  
11 agreements with Rina Cohen, Broker/Owner of Top Notch Realty & Property [hereinafter  
12 “Top Notch”]. The three properties were: 1. 5515 Erin Lee Court, 2. 5233 Pendergrass Street and  
13 3. 5952 Tamarack Lodge Lane.<sup>1</sup> At the time of entering into these property management  
14 agreements, despite Top Notch’s concern regarding comingling of accounts, Mr. Kellner requested  
15 that the tenants residing in the Pendergrass property send the rent payments directly to him and  
16 any expenses associated with the Pendergrass property be paid from the accounts of one of his  
17 other properties that Top Notch was managing for him.<sup>2</sup>

18  
19 On March 15, 2018 LSI Property Management, DBA Luxury Realty LLC [hereinafter  
20 “LSI”] entered into an Asset Purchase Agreement with Top Notch, whereby way of merger of the  
21 two companies, LSI acquired and assumed Top Notch’s property management contracts, including  
22 Mr. Kellner’s three properties.<sup>3</sup> The Asset Purchase Agreement states that no consent from the  
23 owner-clients were required for LSI to assume these property management contracts. More  
24

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27 1 Residential Property Management and Brokerage Agreements attached as Exhibits “3”, “4” and “5” and  
28 2 Residential Lease Agreements, attached as Exhibits “6”, “7” and “8”.  
2 E-mail from Rina Cohen to LSI, attached as Exhibit “9”.  
3 Asset Purchase Agreement, attached as Exhibit “10”.

1 specifically, the agreement states: “the Assumed Contracts are legal, valid and enforceable  
2 contracts and are fully assignable to Buyer [LSI]”.<sup>4</sup> In March 2018, Luxury Realty, LLC registered  
3 Top Notch Realty and Property Management, LLC as a fictitious firm name with Clark County.<sup>5</sup>  
4 LSI contacted the real estate division at the time of the transfer and Real Estate Division confirming  
5 how the property management agreements can be transferred from Top Notch and LSI abided by  
6 these recommendations.<sup>6</sup>

7  
8 As part of the merger, Rina Cohn, Broker/Owner of Top Notch relocated her license to LSI  
9 and all deposits and accounts were transferred to LSI’s custody and LSI undertook property  
10 management for all of Top Notch’s existing property management agreements, including Mr.  
11 Kellner’s three properties. LSI notified the tenants and homeowners of the transfer.<sup>7</sup> LSI provided  
12 Mr. Kellner a Consent to Act form that he electronically signed and returned.<sup>8</sup> At no time did Mr.  
13 Kellner object to LSI managing his properties. The property management agreements that Mr.  
14 Kellner executed with Top Notch were still valid and enforceable. These property management  
15 agreements renewed annually in perpetuity unless properly cancelled pursuant to the language in  
16 the agreements. In the two years period from the merger, Mr. Kellner never notified LSI of his  
17 dissatisfaction with LSI.  
18

19 From March 15, 2018, onward, LSI managed Mr. Kellner’s three (3) properties. Mr.  
20 Kellner continued to receive the tenant’s rent directly for the Pendergrass property and rent on the  
21 other properties was paid to LSI. Pursuant to Mr. Kellner’s agreement with Top Notch, LSI  
22 primarily used the Erin Lee Court property’s account for expenses associated with the Pendergrass  
23 property.  
24

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26 \_\_\_\_\_  
27 4 See Asset Purchase Agreement at Schedule 3, sections 2 and 9, attached as Exhibit “10”.

28 5 Certificate of Business: Fictitious Firm Name, attached as Exhibit “11”.

6 E-mail exchange between LSI and the Real Estate Division, attached as Exhibit “12”.

7 Communications to homeowners, attached as Exhibit “13”.

8 E-mail from LSI to homeowners, attached as Exhibit “14” and Consent to Act attached as Exhibits “15”  
and “16”.

1 Mr. Kellner's properties were added to the Owner Portal on Appfolio, and Mr. Kellner's  
2 owner portal was uploaded with detained owner statements, other correspondents and necessary  
3 repair details. Mr. Kellner received detailed instructions that explained how to use the Appfolio  
4 system to manage his accounts.

5 In 2019, LSI notified Mr. Kellner that as a convenience, LSI would pay his utilities, HOA  
6 fees and property taxes associated with properties that it was managing and would charge a thirty-  
7 five dollar service fee for this service.<sup>9</sup> Mr. Kellner never objected to this charge.

8 Because the tenants in the Pendergrass property were paying Mr. Kellner directly, LSI was  
9 unaware whether the tenants in the Pendergrass property were paying rent or had vacated the  
10 property. Only Mr. Kellner knew the status of the occupancy for the Pendergrass property. LSI  
11 would field repair requests from the tenants in the Pendergrass property and coordinate necessary  
12 repairs, as well as ensure that the HOA dues for the property were paid. However, LSI relied on  
13 Mr. Kellner for information regarding whether the tenant was paying rent or if the property was  
14 occupied. It was only much latter that Mr. Kellner advised LSI that the tenants had abandoned the  
15 Pendergrass property.  
16

17  
18 On several occasions LSI notified Mr. Kellner that Answering Respondent Candace  
19 Easdale [hereinafter "Answering Respondent"] had an ownership interest in the handyman  
20 services that was performing repairs on his properties through its newsletter.<sup>10</sup> Prior to sending  
21 Mr. Kellner this newsletter, LSI discussed this issue in great length with the Real Estate Division  
22 and the Real Estate Division consented to this newsletter.<sup>11</sup>  
23

24 On a monthly basis from March 2018 through February 2020, LSI uploaded detailed  
25 financial and repair information for each of Mr. Kellner's properties into Mr. Kellner's owner  
26

27 <sup>9</sup> Letters to homeowners, attached as Exhibit "17".

28 <sup>10</sup> Newsletter, attached as Exhibit "18".

<sup>11</sup> E-mail from Real Estate Division re: disclosure of contractors, attached as Exhibit "19".

1 portal on Appfolio. Mr. Kellner received monthly distributions on the Erin Lee property and  
2 Tamarack Lodge property. Over a two year period, Mr. Kellner and LSI frequently communicated  
3 about the management of the properties and LSI received no complaints from him.<sup>12</sup> Based on  
4 these communications, LSI had assumed that Mr. Kellner was satisfied with LSI.

5 On or about January 24, 2020, Mr. Kellner's behavior with LSI changed abruptly. On  
6 January 24, 2020, Mr. Kellner meet with Geoff Martin at LSI to discuss his accounts. During this  
7 meeting, Mr. Martin attempted to answer all of his concerns regarding his accounts, however it  
8 was very clear that Mr. Kellner had alternative motives and was attempting to terminate his  
9 accounts with LSI and avoid having to pay an early termination fee as dictated by the management  
10 agreements. Subsequently, Mr. Kellner sent several e-mails to Mr. Martin with additional  
11 concerns that Mr. Martin addressed.<sup>13</sup>

12  
13 Mr. Martin addressed each of Mr. Kellner's concerns, more specifically Mr. Kellner's  
14 concerns were as follow:

- 15 • \$35.00 bill service pay: the \$35.00 bill pay fee was noticed multiple times to Mr. Kellner  
16 and Mr. Kellner had several opportunities to opt out, which Mr. Kellner failed to do.
- 17 • Commingling of funds: Mr. Kellner had notice that Top Notch and subsequently LSI, were  
18 using the funds from his other two properties to pay the necessary expenses associated with  
19 the Pendergrass property. While it is not LSI's standard practice to use funds from one  
20 property to cover the expenses associated with another property, this was an exception  
21 because Mr. Kellner had previously directed the Top Notch to proceed in this fashion.
- 22 • No notice of repair: Mr. Kellner was provided notices that detailed the repairs for the  
23 Pendergrass property, complete with invoices and pictures. Mr. Kellner received requests  
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27 <sup>12</sup> E-mail from Michael Kellner re: replacement of dishwasher and stove, attached as Exhibit "20", Repair  
invoices, attached as Exhibit "20", property management work orders, attaches as Exhibit "22".

28 <sup>13</sup> E-mail correspondence between LSI and Michael Kellner, attached as Exhibit "23".

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detailing the need to repair the dishwasher and stove, which he subsequently approved.  
LSI is unaware of any duplicative charges regarding the dishwasher and stove.

- Duplicate charges: When LSI learned that it had duplicative management charges for the first quarter of 2019 for the Pendergrass property, LSI promptly took corrective action and reversed these charges. These duplicative charges are attributable to a clerical error at LSI that has subsequently been addressed. After removing these duplicative charges, LSI provided Mr. Kellner with his most current owner’s statement showing a balance of \$13,232.56.

On January 28, 2020, Mr. Kellner notified LSI that he wanted to terminate his contract with LSI. On January 31, 2020, within just 72 hours of Kellner’s notification, LSI transferred the accounts to Mr. Kellner’s new property management company. On February 25, 2020, LSI transferred to Mr. Kellner his remaining balance of Ten Thousand Five Hundred Eighty Dollars and Seventy-Six Cents (\$10,580.76), holding the remaining Two Thousand Six Hundred Fifty-One Dollars and Eighty Cents (\$2,651.80) to satisfy the early termination fee.<sup>14</sup>

For reasons unknown, Mr. Kellner has made several false allegations to the Nevada Real Estate Division involving Answering Respondent, LSI and its employees. However Answering Respondent denies any wrongdoing in this matter. Answering Respondent respectfully requests that this tribunal finds that the allegations against LSI are meritless. Answering Respondent has abided by all Nevada legal requirements and has fulfilled its obligations under the property management contracts.

**DOCUMENTS**

Exhibit	Document
1	Sworn Declaration of Geoffrey Martin
2	Sworn Declaration of Candace Easdale

<sup>14</sup> Owner statement, attached as Exhibit “24” and Invoice at Property Management Agreement Termination, attached as Exhibit “25”.

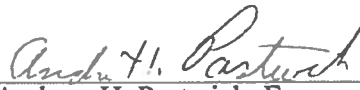
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3	Residential Property Management Brokerage Agreement
4	Residential Property Management Brokerage Agreement
5	Residential Property Management Brokerage Agreement
6	Residential Lease Agreement
7	Residential Lease Agreement
8	Residential Lease Agreement
9	E-Mail from Rina Cohen re: Pendergrass account
10	Asset Purchase Agreement
11	Certificate of Business: Fictitious Firm Name
12	E-mail exchange between LSI and the Real Estate Division
13	E-Mails from LSI re: merger of property management companies
14	E-Mails from LSI re: transfer of accounts
15	Consent to Act
16	Consent to Act
17	E-mails to owner re: \$35 fees
18	Newsletter re: disclosure of contractors
19	Letter from Real Estate Division re: disclosure of contractors
20	Homeowner approving dishwasher and stove at 6233 Pendergrass
21	Contractor invoices
22	Service requests
23	E-mails between LSI and homeowner re: transferring accounts
24	Owner statement
25	Invoice at Property Management Agreement Termination

Dated this 7<sup>th</sup> day of December, 2022.

Law Office of Andrew H. Pastwick L.L.C.

By:   
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apastwick@pastwicklaw.com  
Attorneys for Respondent  
Candace Easdale



**CERTIFICATE OF SERVICE**

1 I hereby certify that on the 7<sup>th</sup> day of December, 2022, I served a copy of the foregoing  
2  
3 RESPONDENT’S ANSWER in the following manner upon the parties so indicated therein as  
4 having received service:

- 5  
6 ■ **By direct email upon the following Parties, for whom I did not receive, within  
7 a reasonable time after the transmission, any electronic message or other  
8 indication that the transmission was unsuccessful.**

9 Real Estate Division  
10 State of Nevada  
11 Attn: Legal Administrative Officer  
12 2501 East Sahara Avenue  
13 Las Vegas, Nevada 89104-4137  
14 kvaladez@red.nv.gov

15 Phil W. Su  
16 Deputy Attorney General  
17 555 E. Washington Avenue, Suite 3900  
18 Las Vegas, Nevada 89101  
19 PSu@ag.nv.gov

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