

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,

7 Petitioner,

8 vs.

9 CANDACE EASDALE,

10 Respondent.

Case No. 2020-633

**FILED**

NOV 10 2022

REAL ESTATE COMMISSION

BY Kelley Valadez

11 **COMPLAINT AND NOTICE OF HEARING**

12 The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY  
13 OF THE STATE OF NEVADA ("Division"), by and through its counsel, Aaron D. Ford, Attorney  
14 General of the State of Nevada, and Phil W. Su, Senior Deputy Attorney General, hereby notifies  
15 RESPONDENT CANDACE EASDALE of an administrative hearing before the STATE OF NEVADA  
16 REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapters 233B  
17 and Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative  
18 Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine  
19 if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or  
20 NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

21 **JURISDICTION**

22 RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Broker under  
23 two license numbers: #B.0006578.LLC, as broker of record for LSI Property Management, DBA Luxury  
24 Realty LLC; and #B.1002016.INDV, which she holds individually as broker of record for Luxury Suites  
25 International. Respondent was also at all relevant times mentioned in this Complaint the holder of a  
26 Property Manager permit under #PM.0163202.BKR. RESPONDENT is therefore subject to the  
27 jurisdiction of the Division and the Commission, pursuant to the provisions of NRS chapter 645 and NAC  
28 chapter 645.

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## FACTUAL ALLEGATIONS

1  
2 1. On or about March 15, 2018, RESPONDENT Candace Easdale, on behalf LSI Property  
3 Management (“LSI”), entered into an asset purchase agreement with Top Notch Realty. [NRED0062-  
4 0076].

5 2. At the time, Top Notch Realty held a portfolio of properties under its management, for  
6 which it had obtained executed Property Management Agreements. The portfolio included the following  
7 three properties (collectively “the Kellner Properties”):

8 a. 5952 Tamarack Lodge Lane (“Tamarack”), owned by Shelly Kellner  
9 [NRED0127-0142];

10 b. 5515 Erin Lee Ct. (“Erin Lee”), owned by Michael Kellner [NRED0140-0152];  
11 and

12 c. 5233 Pendergrass St., North Las Vegas (“Pendergrass”), owned by Michael  
13 Kellner. [NRED0153-0162].

14 3. The asset purchase was to include all property management agreements in the Top Notch  
15 Realty management portfolio, including the agreements for the Kellner properties (collectively, the  
16 “PMAs”). [NRED0063-0076].

17 4. The PMAs for the Kellner Properties were effective January 1, 2018 to January 1, 2019,  
18 and would automatically renew for successive one year periods unless cancelled by written notice.  
19 [NRED0128; 0141; 0154].

20 5. The PMAs provided, under Section 21.D- Waiver Modification and Amendment, that any  
21 assignment of the agreements to another party requires “the prior written approval of either party, which  
22 approval may be withheld in the sole and absolute discretion of non-assigning party.” [NRED0136; 0149;  
23 0160].

24 6. Although Top Notch and LSI/RESPONDENT informed the owners of the Top Notch-  
25 managed properties, including the Kellner Properties, that the two companies would be merging and the  
26 new entity would continue to perform the property management services that Top Notch had previously  
27 provided, [NRED0077-0086], neither Top Notch Realty nor LSI/RESPONDENT obtained the prior  
28 written approval from the owners of the managed properties to complete the assignment of the PMAs

1 from Top Notch to LSI, as required under Section 21.D- Waiver Modification and Amendment, in the  
2 PMAs.

3 7. LSI/RESPONDENT began performing property management services for the Top Notch  
4 portfolio of managed properties on or about March 15, 2018. [NRED0009; 0034].

5 8. The transaction file notes that at some point in time while managed by Top Notch Realty,  
6 the tenant at the Pendergrass property began paying rent directly to the owner, Michael Kellner, and Top  
7 Notch charged management fees for the Pendergrass property from the Erin Lee property account.  
8 [NRED0080].

9 9. When LSI/RESPONDENT began servicing the Pendergrass property, it continued Top  
10 Notch's practice with respect to allowing payment of the Pendergrass rent to be made directly to the  
11 owner, and withdrawal of Pendergrass-related fees from the accounts of the other two Kellner-owned  
12 properties. [NRED0057-0058].

13 10. The Pendergrass tenant ceased paying rent on or about April 2019, months prior to the  
14 October 2019 end of the Pendergrass lease, and abandoned the property sometime thereafter.  
15 [NRED0098; 0201].

16 11. Although LSI/RESPONDENT continued to charge management fees on the Pendergrass  
17 property, it did not conduct any review of the Pendergrass property with Kellner when the lease  
18 terminated without renewal in October 2019. [NRED0098].

19 12. During 2019, RESPONDENT transferred approximately \$5,561.00 from the Erin Lee  
20 property account to the Pendergrass ledger to pay for expenses related to the Pendergrass property.  
21 [NRED0252; 0311-0313].

22 13. During 2019, RESPONDENT transferred approximately \$3,814.78 from the Tamarack  
23 property account to pay for expenses related to the Pendergrass property. [NRED0252; 0341-0342].

24 14. From January to April 2019, LSI charged duplicate management fees on the Pendergrass  
25 property, which it subsequently refunded. [NRED0016; 0311].

26 15. On May 10, 2019, LSI double-billed \$645.00 for the installation of a new stove and  
27 dishwasher at the Pendergrass property, which was already accounted for in a prior \$3,415.00 payment.  
28 [NRED0016; 0274].





1 **NOTICE OF HEARING**

2 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the  
3 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and  
4 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

5 **THE HEARING WILL TAKE PLACE on December 13, 2022, commencing at 9:00 a.m.,**  
6 **or as soon thereafter as the Commission is able to hear the matter, and each day thereafter**  
7 **commencing at 9:00 a.m. through December 15, 2022, or earlier if the business of the Commission**  
8 **is concluded. The Commission meeting will be held on December 13, 2022, at the Nevada State**  
9 **Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102.**  
10 **The meeting will continue on each day thereafter commencing at 9:00 a.m. through December 15,**  
11 **2022, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room,**  
12 **Las Vegas, Nevada 89102, until the business of the Commission is concluded.**

13 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**  
14 **time as part of a regular meeting of the Commission that is expected to last from December 13,**  
15 **2022, through December 15, 2022, or earlier if the business of the Commission is concluded. Thus,**  
16 **your hearing may be continued until later in the day or from day to day. It is your responsibility**  
17 **to be present when your case is called. If you are not present when your hearing is called, a default**  
18 **may be entered against you and the Commission may decide the case as if all allegations in the**  
19 **complaint were true. If you have any questions please call Kelly Valadez Commission Coordinator**  
20 **(702) 486-4606.**

21 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open meeting  
22 under Nevada’s open meeting law, and may be attended by the public. After the evidence and arguments,  
23 the commission may conduct a closed meeting to discuss your alleged misconduct or professional  
24 competence. A verbatim record will be made by a certified court reporter. You are entitled to a copy of  
25 the transcript of the open and closed portions of the meeting, although you must pay for the transcription.

26 As the Respondent, you are specifically informed that you have the right to appear and be heard  
27 in your defense, either personally or through your counsel of choice. At the hearing, the Division has the  
28 burden of proving the allegations in the complaint and will call witnesses and present evidence against

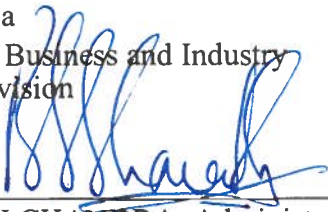
1 you. You have the right to respond and to present relevant evidence and argument on all issues involved.  
2 You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing  
3 witnesses on any matter relevant to the issues involved.

4 You have the right to request that the Commission issue subpoenas to compel witnesses to testify  
5 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate  
6 the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in  
7 NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.875.

8 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC  
9 645 and if the allegations contained herein are substantially proven by the evidence presented and to  
10 further determine what administrative penalty is to be assessed against the RESPONDENT, if any,  
11 pursuant to NRS 645.235, 645.633 and or 645.630.

12  
13 DATED this 9 day of NOVEMBER 2022.

14 State of Nevada  
15 Department of Business and Industry  
16 Real Estate Division

17 By:   
18 SHARATH CHANDRA, Administrator  
19 3300 West Sahara Avenue, Suite 350  
20 Las Vegas, Nevada 89102

21 AARON D. FORD  
22 Attorney General

23 By: /s/ Phil W. Su  
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