

BEFORE THE REAL ESTATE COMMISSION  
STATE OF NEVADA

**FILED**

DEC 16 2022

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

Case Nos. 2020-633

REAL ESTATE COMMISSION

BY Kelly Valadez

Petitioner,

vs.

CANDACE EASDALE,

Respondent.

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

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, Phil W. Su, Senior Deputy Attorney General, and Candace Easdale ("RESPONDENT"), by and through her attorney Andrew Pastwick, Esq.

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

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

1. RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Broker under two license numbers: #B.0006578.LLC, as broker of record for LSI Property Management, DBA Luxury Realty LLC; and #B.1002016.INDV, which she holds individually as broker of record for Luxury Suites International. Respondent was also at all relevant times mentioned in this Complaint the holder of a Property Manager permit under #PM.0163202.BKR.

2. On or about March 15, 2018, RESPONDENT Candace Easdale, on behalf LSI Property Management ("LSI"), entered into an asset purchase agreement with Top Notch Realty.

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

- 4                   a. 5952 Tamarack Lodge Lane (“Tamarack”), owned by Shelly Kellner;
- 5                   b. 5515 Erin Lee Ct. (“Erin Lee”), owned by Michael Kellner; and
- 6                   c. 5233 Pendergrass St., North Las Vegas (“Pendergrass”), owned by Michael  
7                   Kellner.

8           4. The asset purchase was to include all property management agreements in the Top Notch  
9 Realty management portfolio, including the agreements for the Kellner properties (collectively, the  
10 “PMAs”).

11           5. The PMAs for the Kellner Properties were effective January 1, 2018 to January 1, 2019, and  
12 would automatically renew for successive one year periods unless cancelled by written notice.

13           6. The PMAs provided, under Section 21.D- Waiver Modification and Amendment, that any  
14 assignment of the agreements to another party requires “the prior written approval of either party, which  
15 approval may be withheld in the sole and absolute discretion of non-assigning party.”

16           7. Although Top Notch and LSI/RESPONDENT informed the owners of the Top Notch-managed  
17 properties, including the Kellner Properties, that the two companies would be merging and the new entity  
18 would continue to perform the property management services that Top Notch had previously provided,  
19 neither Top Notch Realty nor LSI/RESPONDENT obtained the prior written approval from the owners  
20 of the managed properties to complete the assignment of the PMAs from Top Notch to LSI, as required  
21 under Section 21.D- Waiver Modification and Amendment, in the PMAs.

22           8. LSI/RESPONDENT began performing property management services for the Top Notch  
23 portfolio of managed properties on or about March 15, 2018.

24           9. The transaction file notes that at some point in time while managed by Top Notch Realty, the  
25 tenant at the Pendergrass property began paying rent directly to the owner, Michael Kellner, and Top  
26 Notch charged management fees for the Pendergrass property from the Erin Lee property account.

27           10. When LSI/RESPONDENT began servicing the Pendergrass property, it continued Top  
28 Notch’s practice with respect to allowing payment of the Pendergrass rent to be made directly to the

owner, and withdrawal of Pendergrass-related fees from the accounts of the other two Kellner-owned properties.

11. The Pendergrass tenant ceased paying rent on or about April 2019, months prior to the October 2019 end of the Pendergrass lease, and abandoned the property sometime thereafter.

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

13. During 2019, RESPONDENT transferred approximately \$5,561.00 from the Erin Lee property account to the Pendergrass ledger to pay for expenses related to the Pendergrass property.

14. During 2019, RESPONDENT transferred approximately \$3,814.78 from the Tamarack property account to pay for expenses related to the Pendergrass property.

15. From January to April 2019, LSI charged duplicate management fees on the Pendergrass property, which it subsequently refunded.

16. On May 10, 2019, LSI double-billed \$645.00 for the installation of a new stove and dishwasher at the Pendergrass property, which was already accounted for in a prior \$3,415.00 payment.

17. From April 2018 through late 2019, RESPONDENT and her staff referred handyman tasks for the Kellner Properties at least twenty (20) times to an entity that RESPONDENT personally owned, Luxury Works Handyman, without informing the owners of the Kellner properties of RESPONDENT'S ownership stake in that vendor.

18. On January 28, 2020, Michael Kellner notified RESPONDENT/LSI by email that he wanted to terminate management services of the Kellner properties with LSI.

19. The PMAs provided for an early termination fee in an "amount equal to the management fees that would accrue over the remainder of the stated term of any existing lease agreement or this agreement, whichever is greater."

20. Based on the early termination fee clause in the PMAs, LSI/RESPONDENT withheld \$2,651.80 in early termination fees from the Kellner property accounts when returning the balances of owner funds in its possession.

1           21.     On February 13, 2020, the Division received a complaint from COMPLAINANT  
2 Michelle Hulin stating that RESPONDENT and her employee, Geoffrey Martin, failed to return held  
3 owner funds for the three Kellner Properties, which had subsequently come under the Complainant's  
4 management.

5           22.     On February 19, 2020, the Division informed RESPONDENT and Mr. Martin of the  
6 complaint and requested responses from both individuals.

7           23.     On March 4, 2020, Geoffrey Martin and RESPONDENT each submitted responses to the  
8 Division, including the complete Broker's transaction file.

9           24.     On June 30, 2020, the COMPLAINANT submitted a supplemental statement of facts  
10 containing additional information COMPLAINANT obtained after submitting her complaint in February  
11 2020.

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

13           RESPONDENT violated NRS 645.633(1)(h), pursuant to NAC 645.605(7), by acting with gross  
14 negligence or incompetence in failing to obtain a written property management agreement signed by the  
15 property owner of record for 5952 Tamarack Lodge Lane and RESPONDENT/LSI;

16           25.     RESPONDENT violated NRS 645.633(1)(h), pursuant to NAC 645.605(7), by acting with  
17 gross negligence or incompetence in failing to obtain a written property management agreement with the  
18 property owner of record for 5515 Erin Lee Ct. and RESPONDENT/LSI;

19           26.     RESPONDENT violated NRS 645.633(1)(h), pursuant to NAC 645.605(7), by acting with  
20 gross negligence or incompetence in failing to obtain a written property management agreement signed  
21 by the property owner of record for 5233 Pendergrass St. and RESPONDENT/LSI;

22           27.     RESPONDENT violated NRS 645.633(1)(h), pursuant to NAC 645.605(1), by  
23 commingling funds between the accounts for the Pendergrass, Erin Lee, and Tamarack properties;

24           28.     RESPONDENT violated 645.630(1)(f), pursuant to NAC 645.605(1), by failing, within a  
25 reasonable time, to account for double charges that were charged to the Pendergrass property; and

26           29.     RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(4)(c) three  
27 separate times (once for each of the three Kellner properties) by failing to disclose, in writing, her  
28

1 “interest in or financial arrangement with any person or company that provides maintenance or other  
2 services to the property.”

3 **PROPOSED SETTLEMENT**

4 In an effort to avoid the time and expense of litigation these issues before the Commission, the  
5 parties desire to compromise and settle the instant controversies upon the following terms and  
6 conditions:

7 1. RESPONDENT agrees to pay the Division a total amount of \$9,161.15 (“Amount  
8 Due”), consisting of a \$5,000.00 fine imposed by the Division and the Division’s pre-hearing costs and  
9 attorneys’ fees in the amount of \$4,161.15.

10 2. The Amount Due shall be payable to the Division within 90 days of the order approving  
11 this settlement.

12 **TERMS APPLICABLE TO SETTLEMENT**

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

16 4. RESPONDENT agrees and understands that by entering into this Stipulation,  
17 RESPONDENT is waiving her right to a hearing at which RESPONDENT may present evidence in her  
18 defense, her right to a written decision on the merits of the complaint, her rights to reconsideration  
19 and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the  
20 Nevada Administrative Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and  
21 accompanying regulations, and the federal and state Constitutions. RESPONDENT understands that  
22 this Agreement and other documentation may be subject to public records laws. The Commission  
23 members who review this matter for approval of this Stipulation may be the same members who  
24 ultimately hear, consider, and decide the Complaint if this Stipulation is either not approved by the  
25 Commission or is not timely performed by RESPONDENT. RESPONDENT fully understands that she  
26 has the right to be represented by legal counsel in this matter at her own expense.

27 5. Each party shall bear their own attorney's fees and costs, except as provided above.  
28

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

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

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

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

27          10.    Default. In the event of default under this Stipulation, RESPONDENT agrees that her  
28 licenses and/or permits shall be immediately suspended, and the unpaid balance of the administrative



1 fine and costs, together with any attorneys' fees and costs that may have been assessed, shall be due in  
2 full to the Division within ten calendar days of the date of default. Debt collection actions for unpaid  
3 monetary assessments in this case may be instituted by the Division or its assignee.

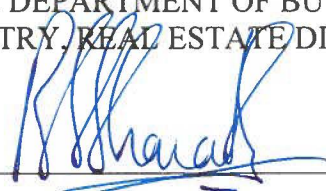
4 11. RESPONDENT has signed and dated this Stipulation only after reading and  
5 understanding all terms herein.

6  
7 DATED this 14 day of December, 2022.

8 DATED this 14 day of December, 2022.

9 NEVADA DEPARTMENT OF BUSINESS  
& INDUSTRY, REAL ESTATE DIVISION


10 By:   
11 CANDACE EASDALE


12 By:   
13 SHARATH CHANDRA  
14 Administrator

15 Approved to as form:

16 LAW OFFICE OF ANDREW H.  
17 PASTWICK, ESQ.

18 AARON D. FORD  
19 Attorney General

20 By:   
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26 By:   
27 Phil W. Su (Bar. No. 10450)  
28 Senior Deputy Attorney General  
555 E. Washington Avenue, Suite 3900  
Las Vegas, NV 89101  
Attorneys for Real Estate Division

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1 **ORDER**

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

4 IT IS FURTHER ORDERED that the foregoing Stipulation and Order for Settlement of  
5 Disciplinary Action shall become effective December 16, 2022 ("Effective Date").

6 Dated: December 16, 2022.

7 REAL ESTATE COMMISSION  
8 STATE OF NEVADA

9 By: 

10 President, Nevada Real Estate Commission

11  
12 Submitted by:

13 AARON FORD, Attorney General

14  
15 By: 

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