

FILED

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REAL ESTATE COMMISSION

BY *Emily Patton*

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 7 Attorneys for Respondent MICHAEL HENRY RING:

BEFORE THE NEVADA REAL ESTATE COMMISSION

STATE OF NEVADA

11 SHARARATH CHANDRA, Administrator,
 12 REAL ESTATE DIVISION,
 DEPARTMENT
 13 OF BUSINESS & INDUSTRY,
 STATE OF NEVADA
 14
 Petitioner

Case No.: 2020-358

15 Vs.

16 MICHAEL HENRY RING
 (B.0143523.CORP)
 17 Respondent

RESPONDENT'S ANSWER

19 Respondent Mr. Michael Henry Ring, hereby submits his answer to the
 20 Complaint

FACTUAL ALLEGATIONS

- 22 1. Answering paragraphs 1 -2, Respondent admits.
- 23 2. Answering paragraph 3, Respondent admits upon information and belief.
- 24 3. Answering paragraph 4, Respondent admits that the complaint made
- 25 those allegations, but denies the allegations. In particular, Respondent was not on notice
- 26 that Premier had no ownership of the subject property. Respondent maintains that



1 Premier did own the subject property at all relevant times. At a minimum, Respondent
2 maintained a good faith belief that Premier owned the subject property at all relevant
3 times and this good faith belief was based upon advice from Respondent's prior counsel.

4 4. Answering Paragraphs 5 - 8, Respondent admits.

5 5. Answering Paragraph 9 - 10, Respondent admits that a District Court
6 found that Premier did not have any right, title, or interest in an order signed on May
7 19th, 2015. However, this order was not final, enforceable, or effective at that time
8 because the case was ongoing on the order was not certified as final. NRCP 54(b) (noting
9 that an order which does not resolve the case and is not certified as final "does not end
10 the action as to any of the claims or parties and may be revised at any time before the
11 entry of a judgment adjudicating all the claims..."); *see also Lee v. GNLV Corp.*, 116 Nev.
12 424, 426, 996 P.2d 416, 417 (2000). Premier later timely filed an appeal of that order.

13 6. Answering Paragraph 11, Respondent admits the order, which was not
14 final or effective at that time, was recorded with the Clark County Recorder's Office.
15 Respondent was not at that time notified that it was recorded.

16 7. Answering Paragraph 12, Respondent denies. Respondent maintains that
17 as a matter of law, Respondent was the rightful owner of the Property at all relevant
18 times. At a minimum, Respondent had a good faith belief that Premier remained the
19 owner which was based on advice from prior counsel.

20 8. Answering Paragraphs 13 - 15, Respondent Admits.

21 9. Answering Paragraphs 16 - 18, Respondent Admits. However,
22 Respondent notes that the Trustee's Deed Upon Sale was not recorded until 09/24/2019
23 and until it was recorded Respondent was uncertain whether the scheduled sale had
24 proceeded or been postponed.

25 10. Answering Paragraphs 19 - 21, Respondent lacks personal knowledge to
26 admit or deny, but admits upon information and belief.

1 11. Answering Paragraphs 22, Respondent admits; however, Respondent
2 notes that the Trustee's Deed Upon Sale was not recorded until 09/24/2019 and until it
3 was recorded Respondent was uncertain whether the scheduled sale had proceeded or
4 been postponed.

5 12. Answering Paragraphs 23-24, Respondent admits; however, Respondent
6 notes that the Trustee's Deed Upon Sale was not recorded until 09/24/2019 and until it
7 was recorded Respondent was uncertain whether the scheduled sale had proceeded or
8 been postponed. Respondent further notes that while the Security Deposit Transmittal
9 form focused on nonpayment of August and September rent and utilities, Raber was in
10 breach of the lease prior to August.

11 13. Answering Paragraph 25, Respondent Denies. Respondent maintains that
12 Respondent Premier was the lawful owner of the property at all relevant times. At a
13 minimum, both Respondent and Premier had a good faith belief that Premier was the
14 lawful owner of the property.

15 14. Answering Paragraphs 26 - 27, Respondent Denies. Alan and Noel
16 Hangge were not the subject property owners. Respondent maintains that Premier was
17 the lawful property owner until August 2, 2019. Moreover, Alan and Noel Hangge had
18 completely abandoned the property in 2012.

19 15. Answering Paragraph 28, Respondent Admits. However, Respondent did
20 not have actual knowledge that the sale had been completed rather than postponed or
21 cancelled until after the Trustee's Deed Upon Sale was recorded on 09/24/2019.

22 16. Answering Paragraphs 29 - 30, Respondent Admits.

23 17. Answering Paragraph 31, Respondent Denies. Respondent maintains that
24 Premier was the lawful owner of the property at that time and Premier had authorized
25 Go Global to Rent the Property. At a minimum, Respondent had a good faith belief that
26 this was the case.

1 18. Answering Paragraphs 32 – 33, Respondent Admits.

2 19. Answering Paragraph 34, Respondent Denies. Respondent maintains that
3 Premier was the lawful owner of the property at that time and Premier had authorized
4 Go Global to Rent the Property. At a minimum, Respondent had a good faith belief that
5 this was the case.

6 **VIOLATIONS OF THE LAW**

7 20. Answering Paragraph 36 - 39, Respondent Denies. Respondent maintains
8 that Premier was the lawful owner of the property at that time and Premier had
9 authorized Go Global to Rent the Property. At a minimum, Respondent had a good faith
10 belief that this was the case.

11 21. Answering Paragraph 40, Respondent Denies. While Respondent now
12 acknowledges that there was an error in the Security Deposit Transmittal statement,
13 Respondent states that the error was made in good faith attempting to follow all
14 appropriate practices. Respondent further notes that while the information on the
15 Security Deposit Transmittal was in error, that the Rabers were not entitled to receive a
16 refund of their security deposit because they had breached the lease in multiple ways
17 including not being current on rent even before the foreclosure sale was conducted.

18 **DISCIPLINE AUTHORIZED**

19 22. Answering Paragraphs 41 – 43, Respondent acknowledges that the
20 Commission is empowered to take administrative actions but denies that any such action
21 is appropriate. Among other reasons, Respondent acted in good faith at all times.

22
23 **AFFIRMATIVE DEFENSES**

24 1. Respondent has acted in good faith at all times and believed at all relevant
25 times that the actions taken were correct ethically and in accordance with
26 the applicable laws and regulations. *See e.g. Lowe v. Dept t of Commerce, Real*

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Estate Div., 89 Nev. 488, 490, 515 P.2d 388, 389 (1973) (noting that administrative bodies should consider intent).

2. As to the complaint that Respondent rented property without permission of the owners, Respondent asserts that this is legally incorrect. Premier held ownership at all relevant times. The court order in question was not legally effective until after the appeal was completed, by which point Premier had a legal right to assert ownership through adverse possession. Furthermore, even if the order could have been effective prior to that, the Hangges lacked standing to benefit from or enforce the order. At a minimum, Respondent held a good faith belief, based upon representations by prior counsel, that Premier held ownership at all relevant times.

3. The Complaint must fail based upon the statutes of limitations or repose or upon the doctrine of laches. In particular, Respondent is prejudiced by the timing of the complaint as it regards renting the property without proper authorization. Had the complaint been brought at any point before the foreclosure by the holder of the deed of trust, Respondent and Premier could have established Premier's rights by seeking a court order for quiet title based upon adverse possession and with consideration of the fact the Hangges had abandoned the property. That is now impossible because of the intervening foreclosure. Accordingly, it is prejudicial and contrary to the doctrine of laches to consider a complaint by the Hangges at this time.

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PRAYER FOR RELIEF

WHEREFORE, Respondent requests a finding that no disciplinary actions are appropriate.

Dated this 23rd day of March, 2022.

MORRIS LAW CENTER

By: Timothy A. Wiseman

Sarah A. Morris, Esq.
Nevada Bar No. 8461
Timothy A. Wiseman, Esq.
Nevada Bar No. 13786
Attorneys for Defendants

Verification and Declaration of Michael Ring

I, Michael H. Ring, under penalty of perjury, declare as follows:

1. I am over the age of 18 and can testify to the following matters if called upon to do so.
2. I have read the foregoing **DEFENDANTS' ANSWER** and the factual averments it contains are true and correct to the best of my knowledge, except as to those matters based on information and belief, and as to those matters, I believe them to be true. Those factual averments contained in the referenced filing are incorporated here as if set forth in full.

I. Positions and Status

3. I am one of the owners of and the broker for Go Global Realty.
4. I am one of the shareholders of Premier One Holdings. I am authorized to speak on behalf of Premier on this matter.
5. At all times, I have attempted to behave ethically and in full accordance with the law. To the best of my knowledge and understanding, I have at all times behaved ethically and in accordance with the law.

II. Background regarding the Property

6. Premier One Holdings, Inc. ("Premier") purchased the property at 2349 Gondi Castle, Henderson, NV 89044 ("the Property") on or about September 20, 2013 at a foreclosure sale conducted by the HOA.
7. Premier made this purchase in reliance on the belief that the HOA was acting properly and in reliance on the recitals in the foreclosure deed that the foreclosure was conducted in accordance with the law.
8. After purchasing the property, Premier made repairs to the property and invested money into preparing the property to be used by tenants.

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9. Premier entered into a written contract with Go Global Realty to manage the Property.
10. The decision to contract with Go Global Realty was made by the shareholders acting as a body, and all shareholders were aware that I am the broker for Go Global.
11. After the repairs were completed, as broker of Go Global Realty, I arranged to lease the property to tenants at the direction of Premier.
12. On or about June 23, 2014, Premier through its prior counsel, Mr. Joseph Hong, Esq., filed suit seeking quiet title on the Property with the intention of gaining title insurance.
13. When the court determined that the foreclosure sale was void due to actions in violation of the bankruptcy stay, Premier consulted with its prior counsel, Mr. Hong, to determine the status of the property.
14. Premier was assured by counsel at that time that Premier remained entitled to continue to lease the property at that time.
15. When an appealable order was issued by the Court in the case, Premier promptly authorized appellate counsel at Morris Law Center to file an appeal regarding the decision voiding the foreclosure sale regarding the property.
16. It is my understanding that the appeal was not fully resolved until May 21, 2020, although a portion of the appeal was withdrawn with authorization from Premier on or about November 13, 2018.
17. I continued to manage the property on behalf of Premier only because I had been assured by prior counsel, Mr. Hong, that Premier maintained legal ownership.
18. At all relevant times, Premier openly exercised control over the property.

- 1 19. At all relevant times, Premier maintained the property including, but not
2 limited to, paying HOA assessments and other sums that became due.
- 3 20. I received a letter from counsel for Mr. and Ms. Hangge around January 28,
4 2020. This letter extortionately threatened to submit a complaint to the Real
5 Estate Division if I failed to pay \$100,000.00.
- 6 21. This letter arrived after a foreclosure sale had been conducted, making it
7 impossible for Premier to seek a court order for quiet title as to the Hangges.
8 Had the Hangges sent their threats earlier, Premier could have sought and
9 likely received an order for quiet title as to the Hangges.
- 10 22. Prior to the threat by the Hangges, the Hangges had made no attempts to
11 assert any ownership in the Property during the time Go Global was
12 serving as property manager. Upon information and belief, the Hangges
13 had made no effort to assert any interest in the property since 2012 and had
14 effectively abandoned the property well prior to the HOA foreclosure sale
15 through which Premier took title.

16 **III. Background regarding the Security Deposit Transmittal to the Rabers**

- 17 23. Go Global erred in stating in the security deposit transmittal that rent and
18 utilities for September, 2019 were due and owing. However, this error was
19 a genuine error made in good faith.
- 20 24. At the time the security deposit transmittal was prepared and sent, the
21 Rabers were behind on their rent payments had other violations of their
22 lease.
- 23 25. After learning of the error, Go Global offered more than once to refund the
24 Rabers security deposit. These offers were rejected by the Rabers.

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26. I declare under penalty of perjury that the foregoing is true and correct
pursuant to NRS 53.045.



Michael H. Ring

03-24-22

Date



CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury, that I am over the age of eighteen (18) years, and I am not a party to, nor interested in, this action. On this date, I caused to be served a true and correct copy of the foregoing **RESPONDENT'S ANSWER** by the method indicated:

- BY U.S. MAIL:** by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Las Vegas, Nevada addressed as set forth below.
- BY PERSONAL DELIVERY:** by causing personal delivery via messenger service of the document(s) listed above to the person(s) at the address(es) set forth below.
- BY ELECTRONIC SUBMISSION:** submitted to the above-entitled Court for electronic filing and service upon the Court's Service List for the above-referenced case.

and addressed to the following:

Evelyn Patee
Commission Coordinator
Nevada Real Estate Division
3300 W. Sahara Avenue, Suite 350
Las Vegas, Nevada 89102

Alexander E. Quagge
Deputy Attorney General
100 North Carson Street
Carson City, NV 89701-4717

Courtesy Copies sent by email to:

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AQuagge@ag.nv.gov
jholle@red.nv.gov

Dated this 24th day of March, 2022.


An employee of Morris Law Center

