BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

VS.

ROBERT B. ADAMS,

Respondent.

Case No. 2020-87



AUG 19 2022

REALESTATE COMMISSION

COMPLAINT AND NOTICE OF HEARING

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division") hereby notifies RESPONDENT ROBERT ADAMS ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapters 233B and Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.633 and/or NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Salesperson under license number S.0187455.PC, and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

FACTUAL ALLEGATIONS

- In or around August 2019, RESPONDENT represented the buyer of real property located 1. at 52 Smokestone Court, Las Vegas, Nevada 89110 (the "Property"). BTS 000034.
- At that time, RESPONDENT was associated with Realty One Group Inc. and broker 2. Damon Caldwell, BTS 000034.

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- On August 21, 2019, buyer, through RESPONDENT, submitted an offer to Sellers' agent
- On August 23, 2019, Sellers accepted the terms of buyer's initial offer subject to Counter
- On August 27, 2019, Sellers, through their agent, rescinded Counter Offer #1 and submitted a revised Counter Offer #1, reducing the purchase price. BTS 000037.
- On August 27, 2019, buyer, through RESPONDENT, submitted Counteroffer #2. BTS
 - On Friday, September 5, 2019, Sellers accepted the buyer's Counteroffer #2. BTS 000035.
- Section 1 of the Residential Purchase Agreement ("RPA") provided that buyer shall wire the earnest money deposit of \$5,000.00 "within 48 hours of acceptance" to the escrow holder, Chicago
- The RPA provided buyer a 10 calendar day due diligence period following the date of
- The RPA provided for a close of escrow on or before September 27, 2019. See BTS 000006.
- Subsection 18(c) of the RPA provides that in the event buyer defaults, "[s]eller may retain, 11. as liquidated damages, the EMD." BTS 000008-17.
- As such, the earnest money deposit was due Monday, September 9, 2019, and the due 12. diligence period expired September 15, 2019. BTS 000008-17.
- RESPONDENT never provided the broker he is associated with, Mr. Caldwell, a copy of 13. the executed RPA. BTS 000107.
- 14. On September 6, 2019, RESPONDENT emailed Chicago Title and provided Chicago Title with buyer's contact information for the wiring instructions. BTS 000100.
- 15. On September 6, 2019, RESPONDENT also texted buyer information to schedule a home inspection for the property, and to check in on the status of the earnest money deposit. BTS 000063.

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- 16. On the afternoon of September 6, 2019, RESPONDENT texted Sellers' agent informing him buyer had issues accessing the wiring instructions, but RESPONDENT would contact Chicago Title and buyer to have the wire posted by Monday, September 9, 2019. BTS 000127.
- 17. On Monday, September 9, 2019, buyer informed RESPONDENT he had a family emergency in Mexico necessitating he travel that evening, and asked RESPONDENT to send the wiring instructions for the earnest money deposit. BTS 000061.
- 18. RESPONDENT emailed Chicago Title to inform them of buyer's situation and asked Chicago Title to assist buyer with accessing the wiring instructions. BTS 000099.
- 19. Chicago Title explained the wiring instructions and DocuSign registration to buyer. BTS 000099.
- 20. RESPONDENT followed up with buyer to confirm receipt of wiring instructions and again later that afternoon to confirm if buyer had wired the earnest money deposit before buyer left the country. BTS 000065-66.
- 21. RESPONDENT also texted Sellers' agent an update and stated buyer would wire the earnest money deposit that day. BTS 000127.
- 22. Later that day, Chicago Title emailed all parties to inform them buyer confirmed he would wire the earnest money deposit shortly. BTS 000101.
- 23. Shortly thereafter, Sellers received a text message from their agent informing Sellers of buyer's family situation and stating the earnest money deposit "has been wired however so no worries there." BTS 000005.
- 24. On September 10, 2019, Chicago Title informed RESPONDENT buyer had not wired the earnest money deposit. BTS 000103.
- 25. On September 10, 2019, RESPONDENT followed up with buyer to inform him Chicago Title was not in receipt of the earnest money deposit, noting the RPA's terms and conditions, and urged buyer to deposit the funds as soon as possible as they were in breach of the RPA's terms and conditions. BTS 000067.

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- On September 11, 2019, RESPONDENT followed up with buyer via email and text 26. message, urging buyer to wire the earnest money deposit, and to reschedule the home inspection. BTS 000068; BTS 000094.
- 27. On September 13, 2019, RESPONDENT texted buyer regarding the due diligence period and pressed buyer to make the earnest money deposit as soon as possible. BTS 000070.
- On September 15, 2019, RESPONDENT texted buyer asking for guidance regarding the 28. purchase of the Property, given the 10-day due diligence period expired that same day, and buyer had not wired the earnest money deposit. BTS 000071.
- Buyer responded to RESPONDENT's message that he had limited cellphone service and 29. would call him as soon he arrived at his hotel later that day. BTS 000069.
- On September 16, 2019, Sellers' agent emailed RESPONDENT for an update. BTS 30. 000092.
- On September 17, 2019, RESPONDENT texted buyer and pressed the need to discuss the 31. RPA and the property with him. BTS 000072.
- 32. That evening, RESPONDENT called Sellers' agent and indicated he is unsure if buyer wired the earnest money deposit. BTS 000129.
- On September 18, 2019, Sellers' agent emailed RESPONDENT notifying him buyer had 33. not wired the earnest money deposit and had not performed his due diligence, and Sellers were advised to seek legal counsel if buyer did not complete the transaction on or before September 27, 2019, pursuant to the terms of the RPA. BTS 000090.
- RESPONDENT forwarded Sellers' agent's email to buyer and followed up with a text 34. message. BTS 000073; BTS 000090.
- 35. On September 19, 2019, Sellers directed their agent to remove the Property listing and cancel escrow. BTS 000187.
- On September 24, 2019, the Division received a complaint against Eiwin Mark ("Mark"), 36. Sellers' agent, alleging Mark's failure to verify the earnest money deposit with the Chicago Title was negligent and left Sellers no recourse. The Division also investigated RESPONDENT's activities.

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VIOLATIONS OF LAW

RESPONDENT has committed the following violation of law:

- 43. RESPONDENT violated NRS 645.252(2) by failing to exercise reasonable skill and care with respect to all parties to the real estate transaction when he failed to inform the Sellers' agent that buyer was unresponsive and did not wire the earnest money deposit to the escrow holder as required by the RPA.
- 44. RESPONDENT violated NRS 645.630(1)(a) by communicating to Sellers' agent that he was unsure if buyer wired the earnest money deposit when RESPONDENT knew buyer had not wired the funds as set forth in the RPA, and buyer was in breach.
- 45. RESPONDENT violated NAC 645.650(2) when he failed to provide the broker he is associated with a copy of the RPA.

DISCIPLINE AUTHORIZED

- 46. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an administrative fine of up to \$10,000 per violation against RESPONDENT and further to suspend, revoke or place conditions on the license of RESPONDENT.
- 47. Pursuant to NRS 645.647(2), the Commission is authorized to suspend or revoke RESPONDENT's license for failure to pay the administrative fine imposed.
- 48. Additionally, under NRS 622.400, the Commission is authorized to impose costs of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the Commission otherwise imposes discipline on RESPONDENT.
- 49. Therefore, the Division requests that the Commission take such disciplinary action as it deems appropriate under the circumstances.

NOTICE OF HEARING

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

THE HEARING WILL TAKE PLACE on September 27, 2022, commencing at 9:00 a.m., or as soon thereafter as the Commission is able to hear the matter, and each day thereafter

commencing at 9:00 a.m. through September 29, 2022, or earlier if the business of the Commission is concluded. The Commission meeting will be held on September 27, 2022, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102. The meeting will continue on each day thereafter commencing at 9:00 a.m. through September 29, 2022, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102, until the business of the Commission is concluded.

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

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

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

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

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

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

DATED this | 8 day of August 2022.

State of Nevada

Department of Business and Industry

Real Estate Division

By:

SHARATH CHANDRA, Administrator CHARVEZ FOGER, Deputy Administrator 3300 West Sahara Avenue, Suite 350 Las Vegas, Nevada 89102

AARON D. FORD Attorney General

By: /s/ Alma R. Orozco

ALMA R. OROZCO (Bar No. 15300) Deputy Attorney General 555 E. Washington Ave. #3900 Las Vegas, Nevada 89101 (702) 486-3420 Attorneys for Real Estate Division