

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

FILED

FEB 24 2022

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

Case No. 2019-1339 REAL ESTATE COMMISSION

BY *Emily Patten*

Petitioner,

vs.

SHAWN CHRISTOPHER,

Respondent.

COMPLAINT AND NOTICE OF HEARING

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel, Aaron D. Ford, Attorney General of the State of Nevada, and Matthew Feeley, Deputy Attorney General, hereby notifies RESPONDENT SHAWN CHRISTOPHER ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE 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, NRS 645.630, NRS 645.235 and NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT is licensed as a real estate broker-salesperson by the Division. He 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

1. RESPONDENT was licensed by the Division as a salesperson, under license S.0022711, said license being issued on June 30, 1989, and was active until June 18, 1990, and then again on June 20, 1990 until October 26, 1990.

1 2. RESPONDENT was licensed by the Division as a salesperson, under license S.0048452,
2 said license being issued on January 10, 2001, and was active until March 29, 2001, and then again on
3 April 11, 2001, until February 1, 2003.

4 3. RESPONDENT was licensed by the Division as a salesperson, under license S.0168759,
5 said license being issued on November 16, 2009, and was active until October 3, 2012.

6 4. RESPONDENT was licensed by the Division as a broker, under license
7 B.1001066.CORP, said license being issued on October 3, 2012, and was active until December 3, 2013.

8 5. RESPONDENT was licensed by the Division as a real estate broker-salesperson, under
9 license BS.1001066, said license being issued on May 24, 2018, and is in "active" status.

10 6. RESPONDENT was and is a broker-salesperson with REISS REALTY.

11 7. On December 5, 2019, Donald Mazzula ("Complainant") filed a complaint with the
12 Division against RESPONDENT related to property located at 227 S. Texas, Henderson, NV 89015 ("the
13 Property").

14 8. Complainant alleged that he had known RESPONDENT as RESPONDENT has been his
15 attorney for the past 20 years.

16 9. Complainant further alleged that RESPONDENT had formed DTHD, LLC in or around
17 March of 2017.

18 10. Complainant alleged that RESPONDENT approached Complainant and proposed that
19 Complainant invest in a single-family house "flip" which RESPONDENT estimated would take 4 months
20 to renovate and re-sell. RESPONDENT told Complainant that he has done this with at least two other
21 properties.

22 11. Complainant alleged that RESPONDENT explained that he was short on cash due to the
23 impending sale of his two other properties. They agreed that Complainant would become owner of 50%
24 of DTHD, LLC which allegedly had no assets or liabilities. As part of the agreement, Complainant would
25 purchase the Property for cash on behalf of the LLC and RESPONDENT would perform the
26 improvements. Upon sale of the Property, they would each reimburse themselves their respective
27 expenditures and split the profit 50/50.

1 12. On June 8, 2017, Complainant wired \$138,000 to WFG Title Company to purchase the
2 Property.

3 13. On June 9, 2017, the deed was transferred to DTHD, LLC.

4 14. On June 19, 2017, without Complainant's knowledge or permission, RESPONDENT took
5 out a hard money loan in the amount of \$53,000 using the Property as collateral.

6 15. On November 1, 2017, again without Complainant's knowledge or permission,
7 RESPONDENT took out another hard money loan in the amount of \$115,000 using the Property as
8 collateral.

9 16. On January 15, 2018, RESPONDENT amended the operating agreement of DTHD, LLC
10 and added Complainant as a member.

11 17. RESPONDENT failed to renovate the house within the aforementioned four-month
12 timeframe, as Complainant had to take over renovations in January of 2019, and it took an additional 9
13 months to complete the process.

14 18. On November 9, 2019, Complainant received, at his home address, a certified letter from
15 attorney M. Bohn demanding payment of \$149,801 for the \$115,000 loan taken out by RESPONDENT.
16 The amount due included interest and penalty payments through December 1, 2019. RESPONDENT had
17 only made one interest only payment on the loan.

18 19. On November 12, 2019, Complainant received an email from RESPONDENT with an
19 apology and a resignation from DTHD, LLC, and transferred all interest in DTHD, LLC to Complainant.

20 20. On December 10, 2019, the Division sent a letter notifying RESPONDENT that an
21 investigation has begun in response to the Complainant's complaint against him.

22 21. On April 20, 2020, the Division sent a follow up letter to RESPONDENT notifying him
23 that the division had obtained sufficient evidence to commence disciplinary action and intends to file a
24 complaint for hearing before the Nevada Real Estate Division.

25 22. In that same correspondence, the Division notified the RESPONDENT that it was alleged
26 that he violated:

- 27 a. NRS 645.633(1)(h) pursuant to NAC 645.605(6); and
- 28 b. NRS 645.633(1)(i) pursuant to NAC 645.605(1).

1 **VIOLATIONS**

2 RESPONDENT committed the following violations of law:

3 23. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(6) when, only 11
4 days after Complainant used his own funds to purchase the Property, RESPONDENT took a loan out on
5 the Property without informing Complainant.

6 24. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605 (1), when he
7 engaged in a deceitful, fraudulent or dishonest dealing with the Complainant by transferring ownership
8 of DTHD, LLC to Complainant knowing that the loan on the Property (held in the LLC) was in default,
9 leaving Complainant responsible for the repayment of a loan of which he was not even aware.

10 **DISCIPLINE AUTHORIZED**

11 25. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an
12 administrative fine per violation against RESPONDENT that may not exceed \$10,000, and further to
13 suspend, revoke or place conditions on the license of RESPONDENT.

14 26. Additionally, under NRS Chapter 622, the Commission is authorized to impose costs of
15 the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the
16 Commission otherwise imposes discipline on RESPONDENT.

17 27. Therefore, the Division requests that the Commission take such disciplinary action as it
18 deems appropriate under the circumstances.

19 **NOTICE OF HEARING**

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

23 **THE HEARING WILL TAKE PLACE** on March 29, 2022, commencing at 9:00 a.m., or as
24 soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing
25 at 9:00 a.m. through March 31, 2022, or earlier if the business of the Commission is concluded.
26 The Commission meeting will be held on March 29, 2022, at the Nevada State Business Center,
27 3300 West Sahara Avenue, 4th Floor – Tahoe Room, Las Vegas, Nevada 89102. The meeting will
28 continue on March 30, 2022, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th

1 Floor – Tahoe Room, Las Vegas, Nevada 89102, commencing at 9:00 a.m., and on March 31, 2022,
2 should business not be concluded, starting at 9:00 a.m. at the Nevada State Business Center, 3300
3 West Sahara Avenue, 4th Floor – Tahoe Room, Las Vegas, Nevada 89102

4 If the meeting will not be conducted in person, then you will be notified by known email
5 or mail as soon as possible that the Commission will conduct a virtual meeting using Webex.com
6 with the meeting information as follows:

7 **DIAL-IN NUMBER: (844) 621-3956 or Webex.com**

8 **TUESDAY, MARCH 29, 2022 MEETING NUMBER ACCESS CODE: 2492 043 1496**

9 **MEETING PASSWORD: 38YerzTWmU3 (38937989683 from phones and video systems)**

10 **WEDNESDAY, MARCH 30, 2022 MEETING NUMBER ACCESS CODE: 2487 420 4399**

11 **MEETING PASSWORD: Kmmix976v52 (56649976852 from phones and video systems)**

12 **THURSDAY, MARCH 31, 2022 MEETING NUMBER ACCESS CODE: 2486 415 0596**

13 **MEETING PASSWORD: MjPpJCFs723 (65775237723 from phones and video systems)**

14 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**
15 **time as part of a regular meeting of the Commission that is expected to last from March 29, 2022,**
16 **through March 31, 2022, or earlier if the business of the Commission is concluded. Thus, your**
17 **hearing may be continued until later in the day or from day to day. It is your responsibility to be**
18 **present when your case is called. If you are not present when your hearing is called, a default may**
19 **be entered against you and the Commission may decide the case as if all allegations in the complaint**
20 **were true. If you have any questions please call Evelyn Pattee, Commission Coordinator (702) 486-**
21 **4074.**

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

27 As the RESPONDENT, you are specifically informed that you have the right to appear and be
28 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

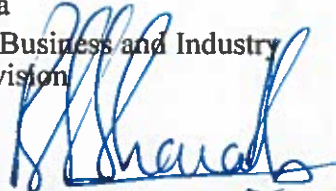
1 against you. You have the right to respond and to present relevant evidence and argument on all issues
2 involved.

3 You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
4 witnesses on any matter relevant to the issues involved.

5 You have the right to request that the Commission issue subpoenas to compel witnesses to testify
6 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate
7 the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in
8 NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.920.

9 The purpose of the hearing is to determine if the RESPONDENT has violated NRS 645 or NAC
10 645 and if the allegations contained herein are substantially proven by the evidence presented and to
11 further determine what administrative penalty, if any, is to be assessed against the RESPONDENT,
12 pursuant to NRS 645.630, NRS 645.633, NRS 645.235 or NRS 645.230.

13 DATED this 23 day of February, 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 /Matthew Feeley
24 MATTHEW FEELEY (Bar. No. 13336)
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