

AUG 29 2023

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

Case No. 2018-377 REAL ESTATE COMMISSION  
BY Kelley Valadez

Petitioner,

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

vs.

THELMA FRANCO-YOUNG,

Respondent.

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, Louis V. Csoka, Senior Deputy Attorney General, and Thelma Franco-Young (“RESPONDENT”).

RESPONDENT at all relevant times mentioned in this Complaint conducted activities for which a license or permit is required by NRS Chapter 645 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 SET FORTH IN COMPLAINT**

1. On or about January 4, 2013, RESPONDENT submitted a License Change Form to the Division, which downgraded her license with the Division from a Broker to a Broker-Salesperson.

2. Contemporaneously, RESPONDENT also *surrendered* her Property Management Permit to the Division.<sup>1</sup>

3. On or about October 1, 2016, RESPONDENT entered into a Residential Property Management Agreement (the “Agreement”) with Nicole Shinavar

<sup>1</sup> While, on April 7, 2016, RESPONDENT had again changed her broker license, transferring it back to JPC (defined herein) as broker, she did not reinstate her property manager license at that time either.

1 (“Complainant”), to manage Complainant’s real property located at 6241 Bellota Drive,  
2 Units A, B, C, and D, Las Vegas, Nevada (the “Property”).

3 4. The purpose of the Agreement was for RESPONDENT to manage  
4 Complainant’s Property.<sup>2</sup>

5 5. At all relevant times, RESPONDENT was not licensed to enter into the  
6 Agreement, to manage Complainant’s Property.

7 6. Notwithstanding the absence of such proper licensure, RESPONDENT  
8 included her Nevada Broker-Salesman license number *as an alleged “Property*  
9 *Management License Number” on the Agreement.*

10 7. Under the Agreement, RESPONDENT was to receive a \$220.00 rental fee for  
11 each of the four (4) units at the Property, a \$75.00 advertising fee, a thirty percent (30%)  
12 leasing fee, a \$200.00 set-up fee, a \$250.00 referral fee, and a \$50.00 renewal fee for her  
13 services at the Property.

14 8. The Agreement required that RESPONDENT deposit all rents and security  
15 deposits collected into Complainant’s bank account and notify Complainant of all work that  
16 needs to be done at the Property along with a monthly accounting of receipts and invoices.

17 9. The Agreement required that all repairs exceeding \$250 have the owner’s  
18 approval except in an emergency.

19 10. RESPONDENT’s files contained a copy of a money order for \$ 500.00 payable  
20 to RESPONDENT, associated with the Property, with no proof that it was ever deposited  
21 into Complainant’s account.

22 11. RESPONDENT’s files also contained a copy of a Bank of America deposit slip  
23 for \$ 1,225.00, dated June 7, 2017, with a note on the slip that it represents Security Deposit  
24 \$ 675.00 for Unit D and \$ 550 for Unit C of the Property, deposited into Complainant’s  
25 account.<sup>3</sup>

26  
27 <sup>2</sup> Around the same time, Complainant also had RESPONDENT assist her in leasing out Complainant’s real  
28 property located at 213 Sierra Breeze Ave, Las Vegas, Nevada (the “Sierra Breeze Property”). However,  
RESPONDENT did not have a formal agreement with Complainant, to manage the Sierra Breeze Property.

<sup>3</sup> Cf. Allegation No. 13, *infra*.

1           12. Under the Agreement, “rents collected” and “[a]ll security deposits . . . [are to  
2 be] deposited [in]to the owners . . . [Bank of America] account . . . .”<sup>4</sup>

3           13. Yet, there is no uncontroverted and reliable proof that any of the same was  
4 actually paid over to Complainant, as required under the Agreement.<sup>5</sup>

5           14. RESPONDENT used her husband, an unlicensed contractor, operating under  
6 JayPC Investments, LLC (“JPC”), to undertake repairs at the Property.

7           15. At all relevant times, RESPONDENT and her husband served as JPC’s  
8 managing members, but did not have contractors’ licenses.

9           16. On September 8, 2017, JPC invoiced Complainant’s Property, Unit C, for  
10 \$536.00 and \$335.00, on the same day for contractor services, including, without limitation,  
11 repairing garbage disposal, installing new range hood, cutting a hole for installation of  
12 dishwasher, and installing dishwasher.

13           17. Gee Tel Services (“GTS”), a sole proprietorship of Giaonne Laidler, also  
14 provided contractor services at the Property without a contractor’s license.

15           18. On August 16, 2017, on August 20, 2017, and on August 22, 2017, GTS  
16 invoiced Complainant’s Property \$880.00, \$950.00, and \$ 1,193.65, respectively, for work  
17 done on Unit C at the Property.

18           19. The three invoices were part of a larger project to paint the interior of Unit C,  
19 patch walls, remove carpeting and install new flooring.

20           20. On October 9, 2017 and October 11, 2017, GTS invoiced \$ 1,030.00 and  
21 \$502.00, respectively, for Unit B at the Property.

22  
23  
24 <sup>4</sup> Even if an ultimate deadline as to the same would be contested, the Nevada Supreme Court has recognized  
25 the implied covenant of good faith and fair dealing normally attaches to all contracts. *See Hilton Hotels*  
26 *Corporation v. Butch Lewis Productions, Inc.* 107 Nev. 226, 808 P.2d 919 (1991) (stating that the “reasonable  
27 expectations of the dependent party is determined by the various factors and general circumstances”). Here,  
with the contemporaneous requirement for monthly accounting of receipts and invoices, a failure to remit  
any such funds to RESPONDENT for years would clearly not be within the reasonable expectations of the  
parties.

28 <sup>5</sup> While RESPONDENT provided ex post facto reconciliation records to the Division purporting to absorb such  
tenant revenues into certain repair expenses, Complainant had disavowed having received or having been  
credited for any of the same.

1 21. These invoices were all part of a larger project regarding Unit B, including,  
2 without limitation, to patch holes, paint unit, install window blinds, replace light fixture in  
3 bathroom, repair door frames, and install switches.

4 22. On October 12, 2017, JPC also invoiced Complainant's Property, Unit B, for  
5 \$870.00 for replacing doors, repairing door casings, replace water valve, install new range  
6 hood, install new light fixture over mini bar, and repair cabinet under kitchen sink.

7 23. There is also a close affiliation between GTS and JPC, as reflected in GTS's  
8 Facebook post that advertises JPC.

9 24. NRS 624.031(6) allows for the so called "handyman exemption" from having a  
10 contractor's license and provides as follows:

11 6. Any work to repair or maintain property the value of which is **less than**  
12 **\$1,000**, including labor and materials, **unless**:

13 (a) A building permit is required to perform the work;

14 (b) The work is of a type performed by a plumbing, electrical,  
15 refrigeration, heating or air-conditioning contractor;

16 (c) The work is of a type performed by a contractor licensed in a  
17 classification prescribed by the Board that significantly affects the health,  
18 safety and welfare of members of the general public;

19 (d) **The work is performed as a part of a larger project:**

20 (1) **The value of which is \$500 or more; or**

21 (2) **For which contracts of less than \$500 have been awarded**  
22 **to evade the provisions of this chapter; or**

23 (e) The work is performed by a person who is licensed pursuant to this  
24 chapter or by an employee of that person.

25 (emphasis added).

26 25. As noted above, RESPONDENT entered into contracts, as well as a series of  
27 contracts, for repairs with unlicensed contractors in excess of \$ 1,000.00, thereby failing to  
28 meet such handyman exemption from having a licensed contractor.<sup>6</sup>

29 26. While RESPONDENT stated in Court documents (Summary Eviction  
30 proceedings) that tenant Caren Dickson ("Dickson") moved into Unit D at the Property on

31 \_\_\_\_\_  
32 <sup>6</sup> While the Division does not oversee NRS Chapter 624, a violation of another chapter of law constitutes a  
33 violation of NRS 645.633(1)(h) for gross negligence or incompetence. Here, RESPONDENT entered into  
34 contracts, as well as a series of contracts, for repairs with unlicensed contractors in excess of \$ 1,000.00,  
35 thereby failing to meet the relevant exemption in NRS 624.031(6)(d) relative to contractor activity that is  
36 otherwise *de minimis* (i.e., does not normally require licensure, under NRS Chapter 624, if it does not reach  
37 the statutory threshold alone nor in a series of related transactions).

1 June 1, 2017, in the Tenant Ledger, RESPONDENT provided a move in date of June 15,  
2 2017 and only had accounted for a prorated rent of \$ 338.00 to the Complainant.

3 27. Indeed, RESPONDENT never substantiated the alleged June 15, 2017 move-  
4 in date that she had used to provide payment to Complainant, while her sworn statement  
5 to the Court clearly established an earlier move-in date for Dickson, as to which she failed  
6 to account for the associated funds to Complainant.<sup>7</sup>

7 28. In October 2017, the Tenant Ledger for Unit D reflected an invoice of \$361.63  
8 for a refrigerator, but RESPONDENT had not provided an associated receipt for the same.

9 29. October 14, 2017, RESPONDENT's Tenant Ledger reflected an invoice from  
10 JPC for \$510.92 for parts for a stove and power cord for Unit B at the Property, but the  
11 associated Lowe's receipt showed an actual cost of \$462.31.

12 30. On October 29, 2017, RESPONDENT's Tenant Ledger reflected an invoice  
13 from JPC for \$344.24 for parts for a replacement dryer for Unit B at the Property, but the  
14 associated Lowe's receipt showed an actual cost of \$300.00.

15 31. In short, RESPONDENT improperly had charged Complainant for more  
16 money than RESPONDENT's associated actual costs.

17 32. On or about November 15, 2017, Complainant gave her 30-day termination  
18 notice to RESPONDENT, after she discovered Unit D was rented to a previously evicted  
19 tenant.

20 33. Shortly thereafter a tenant in Unit B, placed by RESPONDENT and not  
21 noticed to Complainant, caused a fire that gutted Unit B and made two adjacent units  
22 uninhabitable.

23 34. In short, RESPONDENT also engaged in mismanagement, by renting out the  
24 units to Tenants that did not and would not have received Complainant's approval.

25 35. During the Division's investigation, RESPONDENT failed to produce her  
26 entire file upon the Division's request, which included:  
27

28 \_\_\_\_\_  
<sup>7</sup> Cf. Allegation No. 35 (A), *infra*.

1 (A) the lease for tenant Dickson, so the Division could verify Dickson's move in dates,  
2 and

3 (B) information relative to RESPONDENT's response to the investigator that she  
4 has "the permit to manage properties."

5 36. Respondent reinstated her Property Management Permit with the Division,  
6 on or about April 16, 2018, *only after* the Division noticed RESPONDENT of its  
7 investigation.

### 8 VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT

9 1. RESPONDENT violated NRS 645.230(1)(b), by engaging in property  
10 management, without the requisite licensure from the Division.

11 2. RESPONDENT violated NRS 645.310(4), by accepting funds on behalf of the  
12 owner that were made payable to herself and by failing to maintain a trust account for  
13 Complainant's funds, including rent.

14 3. RESPONDENT violated NRS 645.630(1)(f), by failing, within a reasonable  
15 time, to account for or to remit any money which came into her possession and which  
16 belonged to the Complainant.

17 4. RESPONDENT violated NRS 645.630(1)(g), by failing to submit to the  
18 Division an annual accounting of the trust account as required in NRS 645.310.

19 5. RESPONDENT violated NRS 645.630(1)(h), by commingling the moneys of  
20 Complainant with her own, as well as by otherwise converting the same for her own  
21 personal use.

22 6. RESPONDENT violated NRS 645.633(1)(h), by engaging in gross negligence  
23 or incompetence, specifically, RESPONDENT failed to utilize a properly licensed contractor  
24 at the Property, consistent with NRS Chapter 624, or otherwise meet the sole relevant  
25 exemptions in NRS 624.031(6)(d), in her contracting practices with unlicensed contractors  
26 at the Property.



1 salesperson license within 90 days of the approval of this settlement by the Commission,  
2 and shall agree to not re-apply for such permit for at least 5 years. Notwithstanding the  
3 foregoing, RESPONDENT may be permitted to extend the time period for downgrading her  
4 broker license by an additional 90 days, to allow RESPONDENT additional time to receive  
5 commissions from transactions that would assist her to pay the Amount Due hereunder.

6           6. RESPONDENT and the Division agree that by entering this Stipulation, the  
7 Division does not concede any defense or mitigation RESPONDENT may assert and that  
8 once this Stipulation is approved and fully performed, the Division will close its file in this  
9 matter.

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

23           8. Each party shall bear their own attorney's fees and costs, except as provided  
24 above.

25           9. Approval of Stipulation. Once executed, this Stipulation will be filed with the  
26 Commission and will be placed on the agenda for approval at its next public meeting. The  
27 Division will recommend to the Commission approval of the Stipulation. RESPONDENT  
28 agrees that the Commission may approve, reject, or suggest amendments to this



1 Stipulation that must be accepted or rejected by RESPONDENT before any amendment is  
2 effective.

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

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

18 12. Indemnification. RESPONDENT hereby agrees to indemnify and hold  
19 harmless the State of Nevada, the Department of Business and Industry, Petitioner, the  
20 Division, and each of their respective members, agents, employees, and counsel, in their  
21 individual and representative capacities, against any and all claims, suits, and actions  
22 brought against said persons and/or entities by reason of the Division's investigation, this  
23 disciplinary action, and all other matters relating thereto, and against any and all  
24 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,  
26 suits, and actions.

27 13. Default. In the event of default under this Stipulation, RESPONDENT  
28 agrees that her license shall be immediately suspended, and the unpaid balance of the

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

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

7  
8 DATED this 22<sup>nd</sup> day of August, 2023

DATED this 22 day of August, 2023

9  
10 NEVADA DEPARTMENT OF BUSINESS  
& INDUSTRY REAL ESTATE DIVISION

11  
12 By: 

13 THELMA FRANCO-YOUNG

By: 

14 SHARATH CHANDRA  
Administrator

15 AARON D. FORD  
Attorney General

16  
17 By: 

18 Louis V. Csoka (Bar. No. 7667)  
19 Senior Deputy Attorney General  
20 555 E. Washington Avenue, Suite 3900  
21 Las Vegas, NV 89101  
22 Attorneys for Real Estate Division  
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**ORDER**

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

Dated: August 29, 2023.

REAL ESTATE COMMISSION  
STATE OF NEVADA

By:   
Vice President, Nevada Real Estate Commission

Submitted by:

AARON FORD, Attorney General

By:

/s/ Louis V. Csoka

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