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STATE OF NEVADA

BEFORE THE REAL ESTATE COMMISSION

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

Petitioner,

VS.

IYAD W. HADDAD,

Respondent.

Case No. 2022-133

11 13 13

DEC 2 1 2023

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

This matter came on for hearing before the REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division") during a regular agenda, beginning on November 8, 2023, and concluding on November 9, 2023 (the "Hearing"). RESPONDENT IYAD W. HADDAD (hereinafter, "RESPONDENT") appeared remotely via WebEx, for the November 7, 2023, proceedings and did not personally appear for the November 8, 2023, continuation of the proceedings. RESPONDENT's counsel, Michael Bohn, Esq., appeared remotely via WebEx, for the November 7, 2023, proceedings and appeared in-person for the November 8, 2023, continuation of the proceedings. Phil W. Su, Esq., Senior Deputy Attorney General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division") for both hearing days. The Hearing was originally scheduled for August 22-24, 2023, but was continued upon RESPONDENT's request.

NRED Investigator Shannon Goddard testified regarding the investigation she undertook in this matter. Upon motion, the Commission admitted the Division's documents, including the investigative file, into evidence. RESPONDENT testified upon his own behalf, and, upon motion, the Commission admitted the RESPONDENT's proffered documents, including an audio clip of a telephone call between the Complainant and

property manager Nathan Vidrine, into evidence. RESPONDENT also played portions of the audio clip for the Commission. After hearing testimony and reviewing the documents presented in this matter and for good cause appearing, the Commission now enters its Findings of Fact, Conclusions of Law, and Order as follows:

JURISDICTION

RESPONDENT IYAD W. HADDAD, has been licensed as a Nevada real estate broker under license number B.0036691.INDV at all relevant times mentioned in this Complaint, and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

FINDINGS OF FACT

The Commission, based upon evidence presented during the Hearing, enters a finding of the following facts:

- 1. At all relevant times mentioned in this Complaint, Iyad W. Haddad ("RESPONDENT") was licensed as a Nevada real estate broker under license number B.0036691.INDV.
- 2. On March 1, 2022, COMPLAINANT Paul Allan Reeves ("COMPLAINANT") provided the Division with a signed Statement of Fact and supporting documents alleging that his landlord, Saticoy Bay LLC, has been offering uninhabitable homes for rent, including the property rented by COMPLAINANT, 5495 Everglade St., Las Vegas, NV 89142 ("5495 Everglade St.").
- 3. Specifically as to 5495 Everglade St., the Complainant stated that the unit had issues with electrical, gas and water at the lease inception; that his family was without gas for the first month and a half of renting the unit; and that the electrical in the laundry room was exposed and a fire issue.
- 4. Iyad "Eddie" Haddad has been, at all times relevant to this Complaint, manager of Saticoy Bay LLC's trustee, Bay Harbor Trust, and is properly identified as the 'landlord' for 5495 Everglade St. and has been identified in related court proceedings as "Eddie Haddad, DBA Saticoy Bay, Landlord(s)."

- 5. On March 2, 2022, the Division informed RESPONDENT that it was opening an investigation against him based upon the receipt of the complaint/statement of fact and requested that he submit a signed responsive affidavit with his knowledge of the matter referenced in the complaint/statement of fact, by March 16, 2022.
- 6. On March 16, 2022, RESPONDENT's attorney, Michael Bohn, Esq., issued a letter to the Division investigator in response to the March 2, 2022 letter, asserting, among other things, that RESPONDENT himself was not named in the COMPLAINANT's complaint/statement of fact and that the COMPLAINANT had already obtained a judgment regarding the underlying security deposit dispute.
- 7. At all times relevant to this Complaint, the 5495 Everglade St. property was managed by Turn Key Property Solutions pursuant to a July 14, 2013 property management agreement, signed by a principal for Turn Key and owner of 5495 Everglade St., identified as "Haddad".
- 8. The property management agreement states, under <u>Responsibilities of Owner</u>, "owner will execute contracts for utilities and services before marketing will start on the property including power, water, ETC. for the operation, maintenance and safety of the property as manager shall deem advisable or necessary or as city and state laws may require."
- 9. The COMPLAINANT signed a one-year lease for 5495 Everglade St. on May 12, 2021.
- 10. As part of the move-in process, COMPLAINANT completed a repair request form noting items such as "no hot water heater," and stating, "need one;" and that the "washer and dryer pipes and electrical need repair." All requested items, including the issues identified with the water heater, washer, and dryer, were marked "Denied."
- 11. Photographs taken on April 27, 2021, prior to the May 12, 2021, move-in date also document issues with electrical in the laundry area and the disconnected water heater.
- 12. According to an NV Energy 48-Hour Termination of Service Notice for Non-Payment for service address 5495 Everglade St. addressed to Iyad Haddad, service would

be terminated at the address on May 12, 2021 (the date the Complainant's lease was to begin).

- 13. The judge ordered that the landlord cannot contract around statutory habitability requirements pursuant to NRS 118A.355; that if there are issues with the property, the landlord has to have disclosed specifically what the unit was lacking; that it was problematic that tenant did not have hot water; and that partial rent for July was appropriate due to no hot water. The hearing was continued until the repairs were completed, and the tenant was told to continue to pay rent to the court.
- 14. On August 23, 2022, the Division completed its investigation and issued a Notice of Violation and Administrative Fine wherein the Division assessed RESPONDENT with an administrative fine of \$500 for violations of NRS 645.633(1)(h). The fine was to be paid by September 21, 2022.
- 15. The violations of NRS 645.633(1)(h) were based upon evidence that RESPONDENT (1) failed to provide a habitable unit with hot water for the tenant at 5495 Everglade St., Las Vegas, NV 89142 for approximately 5 months and (2) failed to follow the Property Management Agreement as written, by not providing Natural Gas for the tenant at the time the property was marketed for lease.
- 16. RESPONDENT, by his attorney, appealed the Notice of Violation to the Commission on August 30, 2022.
- 17. On September 6, 2022, the Division indicated that it completed its investigation and issued an NRS 233B letter to RESPONDENT, stating that it has obtained sufficient evidence to commence disciplinary charges against him and that it would seek a formal hearing before the Real Estate Commission.

CONCLUSIONS OF LAW

Based on the foregoing findings of fact, the Commission concludes, by a 3-2 vote, that RESPONDENT has committed the following violations of law:

- 18. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(1) on three (3) separate occasions by failing to do his utmost to protect the public against fraud, misrepresentation or unethical practices related to real estate when he:
 - a. failed to provide a habitable unit, pursuant to NRS 118A.290, with an operational hot water heater for his tenant at 5495 Everglade St., Las Vegas, NV 89142 for approximately 5 (five) months;
 - b. failed to follow his Property Management Agreement as written, in that he did not execute contracts for utilities and services to ensure that Natural Gas would be available for the tenant at the time the 5495 Everglade property was marketed for lease; and
 - c. failed to provide a habitable unit, pursuant to NRS 118A.290, by ensuring that all electrical outlets, wiring and electrical equipment were maintained in good working order at the 5495 Everglade property at the time it was leased.

ORDER

Based on the foregoing findings of facts and conclusions of law, the Commission hereby orders, by a 4-1 vote, the following:

- 1. RESPONDENT shall pay the Division a total of \$20,750.54 ("Amount Due"), consisting of \$15,000.00 in fines, plus the Division's costs and pre-hearing attorney's fees in the amount of \$5,750.54. The Amount Due shall be paid to the Division within 60 days of the effective date of this Order.
- 2. If the Amount Due is not actually received by the Division on or before its due date, it shall constitute a default by RESPONDENT. In the event of default, RESPONDENT's broker license shall be immediately suspended and the unpaid balance of the administrative fine and costs, together with any attorney's fees and costs that may have been assessed, shall be due in full to the Division within ten calendar days of the date of default, and the Division may obtain a judgment for the amount owed, including collection fees and costs.

1	3. The Commission retains jurisdiction for correcting any errors that may
2	have occurred in the drafting and issuance of this document.
3	4. This order shall become effective on the 22 day of January,
4	2024.
5	DATED this 21 St day of <u>December</u> , 2023
6	REAL ESTATE COMMISSION
7	STATE OF NEVADA
8	(y) D L.
9	By: Resident
10	Nevada Real Estate Commission Submitted by:
11	AARON D. FORD Attorney General
12	
13	By:/s/ Phil W. Su Phil W. Su, Esq.
14	Senior Deputy Attorney General 555 E. Washington Avenue, Suite 3900
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16	Attorneys for Nevada Real Estate Division
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