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### BEFORE THE REAL ESTATE COMMISSION

#### STATE OF NEVADA

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

Petitioner,

VS.

DONALD R. LAINER, (S.0052842, PM.0165684)

Respondent.

Case No. 2021-1209



AUG 2 9 2023

REAL ESTATE COMMISSION
BY Kaladen

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

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, Phil W. Su, Esq., and DONALD R. LAINER, ("RESPONDENT") by and through his attorneys of record, Kurt Bonds, Esq. and Troy Dickerson, Esq.

RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Salesperson under license number S.0052842 and held a Property Management Permit under Credential Number PM.0165684, and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

#### SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN COMPLAINT

- 1. RESPONDENT Donald R. Lainer ("RESPONDENT" or "Lainer") has been associated with Berkshire Hathaway Home Services ("BHHS") since April of 2014 and has been the "owner" and team leader of the Don Lainer Platinum Elite Group (the "Platinum Elite Group"), at all times relevant. NRED 0008-0012.
- 2. Victoria Kilgore<sup>1</sup> had previously been associated with BHHS and was a team associate of the Platinum Elite Group from 2017 through March 2019. **NRED 0012.**

<sup>&</sup>lt;sup>1</sup> Victoria Kilgore is named Respondent in a separate Division complaint, Case No. 2021-1208, that is being concurrently prosecuted.

- 3. At all times relevant, RESPONDENT served as COMPLAINANT's real estate agent and, in that capacity helped to market certain of COMPLAINANT's properties, including the attempted sale of 582 Blue Lagoon Dr, Las Vegas 89110 (the "Blue Lagoon Property") in April 2020. NRED 0012-0018; 0374-0403.
  - 4. The Blue Lagoon property remained unsold as of January 2022. NRED 0012-0018.
- 5. On or about December 13, 2021, the COMPLAINANT sent her statement of fact to the Division, asserting that both RESPONDENT and Kilgore had engaged in potential property mismanagement and/or unlicensed activity concerning two of her properties, the Blue Lagoon property and 1805 Amboy Dr., Las Vegas, NV 89108. (the "Amboy Property"). NRED 0016-0057.
- 6. On or about December 21, 2021, the Division sent a letter opening investigation to RESPONDENT. **NRED 0004.**
- 7. On or about January 4, 2022, RESPONDENT sent the Division his response through his attorney, Kurt Bonds. **NRED 0181-0184.**
- 8. On or about December 21, 2021, the Division also sent a letter regarding the investigation to RESPONDENT's broker, Forrest Barbee. **NRED 0340.**
- 9. Broker Barbee provided an affidavit and supporting documents in response, indicating his suspicions that RESPONDENT had conspired with Kilgore and Platinum Portfolio Realty to manage properties under an arrangement meant to subvert Barbee's directives to RESPONDENT regarding properties then under RESPONDENT's management. **NRED 0341-0342**; **0343-0403**.
- 10. In August 2018, RESPONDENT formed Leasing Office LLC with the Nevada Secretary of State and listed Entity Solutions LLC (registered in Wyoming) as Leasing Office LLC's sole manager.
  NRED 0405-0408; 0415-0416.
- According to the Wyoming Secretary of State, RESPONDENT Lainer is the sole manager and member of Entity Solutions LLC. NRED 0409-0413.
- 12. At all times relevant, RESPONDENT held a property management permit but per his BHHS broker, Forrest Barbee, is not permitted to operate using RESPONDENT'S own trust accounts while associated with BHHS. NRED 0341-0344.

- 13. Due to those restrictions, RESPONDENT claimed to his broker, Barbee, that he would cease operating as a property manager with BHHS and release his clients to seek other management arrangements. *Id.*
- 14. Upon information and belief, Leasing Office LLC was intended to be the Property Management operations for properties under management of RESPONDENT, but when he learned he would not be able to operate within BHHS as planned, he recruited Victoria Kilgore to serve as broker of record and designated Property Manager for Leasing Office LLC.
- 15. On or about February 2019, RESPONDENT caused an Amended List of Officers to be filed with the Nevada Secretary of State, adding Victoria Kilgore as a Manager of Leasing Office LLC.

  NRED 0417.
- 16. On or about April 2019, a second Amended List of Officers was filed with the Nevada Secretary of State, removing Entity Solutions LLC as a manager and leaving Kilgore as sole Manager of Leasing Office LLC. NRED 0418.
- 17. Victoria Kilgore then left employment with BHHS in March of 2019 and registered a new Brokerage Office with the Division named "Leasing Office LLC" on April 1, 2019. **NRED 0005; 0012.**
- 18. Kilgore later submitted a name change to the Division, renaming the Brokerage "Platinum Portfolio Realty" dba Leasing Office LLC ("the Brokerage"). NRED 0005.
- 19. Kilgore was retained as property manager for the COMPLAINANT's Blue Lagoon property effective on or about February 24, 2020. NRED 0029; 0193.
- 20. Kilgore was retained as property manager for the COMPLAINANT's Amboy property effective on or about May 1, 2021. **NRED 0223.**
- 21. At all times relevant, Kilgore has been the only licensee that has ever been associated with the Brokerage. **NRED 0007.**
- 22. Notwithstanding his lack of association with the Brokerage, RESPONDENT has played an active role in the management of properties, in cooperation with Kilgore, including Blue Lagoon Dr. and Amboy Dr. NRED 0016-0057; 0341-0342.
- 23. On multiple occasions, RESPONDENT'S name, Donald Lainer, and the name of his BHHS entity (Platinum Elite Group and/or Platinum Elite LLC) have appeared on invoices and receipts

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for properties under management of the Brokerage. NRED 0430-0473.

- 24. RESPONDENT'S signature has appeared on at least one property management document for the Brokerage, despite his purported lack of association with the Brokerage. **NRED 0450**.
- 25. RESPONDENT has made an appearance at the Clark County Regional Justice Court in an Eviction Hearing on behalf of and as the agent of the COMPLAINANT and the Blue Lagoon Property and/or the Amboy Property. **NRED 0432.**
- 26. At all relevant times, RESPONDENT'S licenses, as issued by the Division, have been associated with BHHS, only. **NRED 0341-0342**
- 27. Per Broker Barbee, RESPONDENT did not have permission to perform Property Management activities for BHHS, or for any other Broker. *Id.*
- 28. RESPONDENT and Kilgore managed the Blue Lagoon and Amboy Properties using a bank account opened in the COMPLAINANT'S name, to which they were added as authorized signers.

  NRED 0367-0373.
- 29. The COMPLAINANT created the bank account by which to manage her properties at the request of RESPONDENT. NRED 0341-0342; 0052-0054.
- 30. Both RESPONDENT and Kilgore were issued, and activated, debit cards ending in -7812 and -7820, respectively, for the COMPLAINANT's bank account. **NRED 0176-0179.**
- 31. Monthly bank statements show that both Kilgore and RESPONDENT have used the debit cards for purchases. NRED 0058-0175; 0529; 0554; 0779; 0821; 0841; 0890-0891.
- 32. Upon information and belief, Kilgore has attempted to conceal RESPONDENT'S involvement by submitting altered documents and or omitting documents from the Broker's file in her response. NRED 0430-0473; 0496; 0499; 0500; 0502; 0504; 0539; 0785; 0786; 0824; 0845; 0851; 0896; 0900.
- 33. Several of the documents provided by Respondent Kilgore did not match the documents obtained from those obtained from COMPLAINANT'S owner portal. *Id.*
- 34. Moreover, multiple documents that contained references to RESPONDENT or "Platinum Elite" appear to have been altered prior to being submitted by Kilgore in her broker file. *Id.* 
  - 35. Several documents contained in COMPLAINANT's owners portal documents that

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contained reference to RESPONDENT or "Platinum Elite" were simply omitted from Respondent Kilgore's file. See, generally, NRED 0430-0473; 0475-0902.

- 36. RESPONDENT and/or Kilgore utilized the services of Acquisition Solutions LLC and/or Handyman Solutions LLC on multiple occasions to perform maintenance and/or repairs on the Blue Lagoon and Amboy properties. NRED 0477-0479; 0653; 0745-0746; 0729; 0745-0746; 0766-0767; 0788-0789; 0807-0808; 0825-0826; 0875-0876.
- Nevada Secretary of State records show that Entity Solutions LLC, and, by extension, 37. RESPONDENT, is the sole manager for both Acquisition Solutions LLC and/or Handyman Solutions LLC. Yet, there has been no documentation that RESPONDENT disclosed his interest in either of these entities to the COMPLAINANT. NRED 0419-0424.
- On or about September 1, 2022, the Division sent RESPONDENT an NRS 233B letter 38. notifying him that it would be bringing a complaint as a result of its investigation. NRED 0014.

#### SUMMARY OF ALLEGED VIOLATIONS OF LAW

- 39. RESPONDENT violated NRS 645.630(1)(d) when RESPONDENT represented or attempting to represent a real estate broker other than the broker with whom he is associated, without the express knowledge and consent of the broker with whom he is associated.
- RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(11)(c) by 40. engaging in conduct that has impeded or attempted to impede any investigation of the Division by supplying false statements in his affidavit, including, but not limited to, affirming that he "has never used the account for any purpose whatsoever" and that he has "never written a check, transferred funds or directed any type of activity on the account."
- 41. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(1) by engaging in conduct which constitutes deceitful, fraudulent or dishonest dealing by attempting to conceal his direct involvement with Platinum Portfolio Realty's management of the Blue Lagoon and Amboy properties.
- 42. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(4)(a) and (4)(b) by failing to disclose, in writing, his interest or contemplated interest in any property with which the licensee was dealing, which includes, but is not limited to, the licensee's affiliation with or financial interest in any person or company that furnishes services related to the properties.

#### PROPOSED SETTLEMENT

By entering into this settlement agreement, the RESPONDENT does not admit, but also does not contest, the above violations. Accordingly, in an effort to avoid the time and expense of litigating these issues before the Commission, as well as any possible further legal appeals from any such decision, and the parties desire to compromise and settle the instant controversy upon the following terms and conditions:

- 1. RESPONDENT agrees to pay the Division a total amount of \$14,638.00 ("Amount Due"), consisting of a \$10,000.00 administrative fine imposed by the Division, the Division's pre-hearing costs and fees in the amount of \$807.50, and pre-hearing attorney's fees in the amount of \$3,830.50.
  - a. The Amount Due shall be payable to the Division in full within sixty (60) days of the date of the order approving this settlement.
  - b. No grace period is permitted. If the payment is not actually received by the Division on or before its due date, it shall be construed as an event of default by Respondent.
- 2. RESPONDENT agrees to take twelve (12) hours of continuing education, consisting of six (6) hours in ethics and six (6) hours in agency/agency relationships. This education shall be completed within twelve (12) months from the date of the Commission's Order Approving Stipulation. The hours must be live education and will not count toward RESPONDENT'S continuing education requirements for license renewal.
- 3. RESPONDENT agrees that he will be ineligible to apply for a broker-salesperson, broker license, or to reapply for a property management permit for a period of five (5) years from the date of the order approving this settlement.
- 4. RESPONDENT and the Division agree that by entering into this Stipulation, the Division does not concede any defense or mitigation RESPONDENT may assert and that once this Stipulation is approved and fully performed, the Division will close its file in this matter.
- 5. The Division agrees not to pursue any other or greater remedies or fines in connection with RESPONDENT'S alleged conduct referenced herein. The Division further agrees that unless RESPONDENT fails to make timely payment, the Division will not bring any claim or cause directly or

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27 28 indirectly based upon any of the facts, circumstances, or allegations discovered during the Division's investigation and prosecution of this case.

- 6. RESPONDENT agrees and understands that by entering into this Stipulation RESPONDENT is waiving his right to a hearing at which RESPONDENT may present evidence in his defense, his right to a written decision on the merits of the complaint, his rights to reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and accompanying regulations, and the federal and state Constitutions. RESPONDENT understands that this Agreement and other documentation may be subject to public records laws. The Commission members who review this matter for approval of this Stipulation may be the same members who ultimately hear, consider, and decide the Complaint if this Stipulation is either not approved by the Commission or is not timely performed by RESPONDENT. RESPONDENT fully understands that he has the right to be represented by legal counsel in this matter at his own expense.
  - 7. RESPONDENT shall bear his own attorney's fees and costs.
- 8. Approval of Stipulation. Once executed, this Stipulation will be filed with the Commission and will be placed on the agenda for approval at its next public meeting. The Division will recommend to the Commission approval of the Stipulation. RESPONDENT agrees that the Commission may approve, reject, or suggest amendments to this Stipulation that must be accepted or rejected by RESPONDENT before any amendment may be considered effective.
- 9. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests amendments unacceptable to RESPONDENT, RESPONDENT may withdraw from this Stipulation, and the Division may pursue its Complaint before the Commission.
- 10. Stipulation is Not Evidence. Neither this Stipulation nor any statements made concerning this Stipulation may be discussed or introduced into evidence at any hearing on the Complaint, if the Division must ultimately present its case based on the Complaint filed in this matter.
- Release. In consideration of the execution of this Stipulation, RESPONDENT for himself, 11. his heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry, and the Division, and each of

their respective members, agents, employees, and counsel in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever had, now has, may have, or claim to have against any or all of the persons or entities named in this section, arising out of or by reason of the Division's investigation of this action, this disciplinary action, and all matters related thereto.

- 12. <u>Indemnification</u>. RESPONDENT hereby agrees to indemnify and hold harmless the State of Nevada, the Department of Business and Industry, Petitioner, the Division, and each of their respective members, agents, employees, and counsel, in their individual and representative capacities, against any and all claims, suits, and actions brought against said persons and/or entities by reason of the Division's investigation, this disciplinary action, and all other matters relating thereto, and against any and all expenses, damages, and costs, including court costs and attorney fees, which may be sustained by the persons and/or entities named in this section as a result of said claims, suits, and actions.
- Default. In the event of default, RESPONDENT agrees that all of his active licenses and permits issued by the Division 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. Debt collection actions for unpaid monetary assessments in this case may be instituted by the Division or its assignee. RESPONDENT agrees that the foregoing suspensions shall continue until the unpaid monetary assessments are paid in full.

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1	14. RESPONDENT confirms that he has signed and dated this Stipulation only after readir					
2	and fully understanding all terms herein.					
3	DATED this 23 day of August 2023.	DATED this 29 day of August 2023.				
4		NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION				
5		INDUSTRI, REALESTATE DIVISION				
6	Ву:	By:				
7 8	DONALD R. LAINER Respondent	SHARATH CHANDRA  Administrator				
9						
10	Approved as to form:					
11	HALL & EVANS LLC	AARON D. FORD Attorney General				
12	By: My P.	By: /s/ Phil W. Su				
13	KURTIBONDS (Bar No. 6228) TROY R. DICKERSON (Bar No. 9381)	PHIL W. SU (Bar No. 15300) Senior Deputy Attorney General				
14	1160 North Town Center Drive, Suite 330	555 E. Washington Ave. #3900				
15	Las Vegas, Nevada 89144 (702) 963-8785	Las Vegas, Nevada 89101 (702) 486-3420				
16 17	Attorneys for Respondent	Attorneys for Real Estate Division				
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# ORDER APPROVING STIPULATION Case No. 2021-1209

The Stipulation for Settlement of Disciplinary Action having come before the Real Estate Commission, Department of Business and Industry, State of Nevada, during its regular agenda on August 22-24, 2023, and the Commission being fully apprised in the premises, and good cause appearing,

IT IS ORDERED that the above Stipulation for Settlement of Disciplinary Action is approved in full.

Dated: this 29 day of August, 2023.

STA	ATE OF N.	EVADA,	1		,
Bv:	W	rus	11	M	
00	President			state Co	mmission

REAL ESTATE COMMISSION