

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2021-264 and 2022-890

Petitioner,

FILED

vs.

DEC 22 2023

KEA RANA,

REAL ESTATE COMMISSION
BY [Signature]

Respondent.

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, (the “Hearing”). RESPONDENT KEA RANA (hereinafter, “RESPONDENT”) appeared with her counsel, Gregory Wilde, Esq. 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”). The Hearing, which had been subject to a stay of proceeding because RESPONDENT filed Chapter 13 bankruptcy in March 2023. The bankruptcy was discharged in July of 2023 and the proceedings were thereafter re-noticed for November hearing.¹

RESPONDENT, by and through her attorney, voluntarily admitted to all facts alleged and to all violations asserted in the Complaint for these two matters. As such, the Commission, having reviewed the documents presented in this matter and for good cause appearing, now enters its Findings of Fact, Conclusions of Law, and Order as follows:

JURISDICTION

¹ RESPONDENT was subject of a separately held hearing on Case No. 2022-339, which was tried on this same November 9, 2023, date. The 2022-339 matter is the subject of a separately filed Findings of Fact and Conclusions of Law.

1 9. Mr. McGrath made these automatic payments from April 17, 2018 to April 27,
2 2020 after the management of the Bandera Creek property was transferred from the
3 RESPONDENT to BCREG.

4 10. Upon the transfer of management, Mr. McGrath set up an automatic rental
5 payment with BCREG.

6 11. Upon transfer of the management, the RESPONDENT did not notify Mr.
7 McGrath that she was continuing to receive automatic rental payments for the Bandera
8 Creek property, even though she was no longer managing the property.

9 12. In October of 2021, Mr. McGrath moved out of the Bandera Creek property
10 and that was the first time he learned that the RESPONDENT kept receiving his automatic
11 rental payments in the amount of \$1,245.00, even though she was no longer the manager
12 for the property.

13 13. After the termination of the management of the Bandera Creek property, the
14 RESPONDENT received automatic rental payments from Mr. McGrath from April 17, 2018
15 to April 27, 2020 for a total amount of \$27,390.00.

16 14. On or about March 31, 2021, the Division properly notified RESPONDENT
17 that it was opening an investigation against her based on the complaint received, requested
18 a response, and requested the following documents:

- 19 a. Copies of the trust account reconciliation accounts from April 2018
 through current; and
- 20 b. Copies of the trust account monthly bank statements from April 2018
 through current. ("Requested Documents").

21 15. The Division gave until April 14, 2021, for the RESPONDENT to produce the
22 Requested Documents.

23 16. RESPONDENT failed to produce the Requested Documents.

24 17. On or about August 30, 2021, the RESPONDENT requested an extension
25 until September 13, 2021 to respond to the allegations.

26 18. The Division gave the RESPONDENT until September 7, 2021 to respond to
27 the allegations and to provide the Requested Documents.
28

1 19. On or about September 3, 2021, the RESPONDENT submitted an affidavit to
2 the Division in response to the allegations (“the affidavit”.)

3 20. The affidavit was not notarized.

4 21. In the affidavit, the RESPONDENT admitted that she was the property
5 manager for the Bandera Creek property from April 20, 2015 to April 30, 2018.

6 22. RESPONDENT claimed that she was not aware she was receiving these
7 automatic payments from Mr. McGrath.

8 23. RESPONDENT admitted that she applied these payments to a “different
9 account” because the rent account for the Bandera Creek property no longer existed in her
10 accounting system.

11 24. In addition, the RESPONDENT admitted that she also used these monies to
12 pay vendors and her management fees.

13 25. RESPONDENT claimed she “mistakenly believed” that the left over from Mr.
14 McGrath’s rental payment somehow belonged to her, even though she admitted that she
15 was not managing the Bandera Creek property from April 17, 2018 to April 27, 2020.

16 26. At all times relevant herein, RESPONDENT did not perform proper
17 reconciliation of her trust account and admitted that since Mr. McGrath’s complaint, she
18 had purchased property management software and had hired an accountant.

19 27. She admitted that she continued to receive rental payments from Mr.
20 McGrath after the management of the Bandera Creek property transferred from VREM to
21 BCREG in April 30, 2018.

22 28. In or around May of 2020, Mr. McGrath notified the RESPONDENT of
23 overpayment for the rent in the amount of \$27,390.00.

24 29. The RESPONDENT agreed to re-pay Mr. McGrath in installments as she did
25 not have the monies to pay him in full.

26 30. On or about May 28, 2020, the RESPONDENT made the first payment of
27 \$5,000.00 to Mr. McGrath.

28

1 31. On or about June 3, 2020, the RESPONDENT made the second payment of
2 \$5,000.00.

3 32. On or about June 16, 2020, the RESPONDENT made the third payment of
4 \$5,000.00.

5 33. After not receiving another payment for nine (9) months, Mr. McGrath
6 reached out to the RESPONDENT on numerous occasions to ask her about the repayment
7 of the rest of the monies in the amount of \$12,390.00.

8 34. The RESPONDENT ignored Mr. McGrath and instead claimed that due to
9 COVID-19 she forgot about the payment arrangement and owing \$12,390.00 to Mr.
10 McGrath.

11 35. After Mr. McGrath filed the complaint with the Division, on or about
12 September 3, 2021, the RESPONDENT made the final payment of \$12,390.00 to Mr.
13 McGrath

14 36. On or around June 13, 2022, RESPONDENT was properly notified by the
15 Division that it was bringing a complaint for disciplinary action before the Commission.

16 **VIOLATIONS OF LAW (CASE 2021-264)**

17 Based on the foregoing findings of fact, the Commission unanimously concludes that
18 RESPONDENT has committed the following violations of law:

19 1. RESPONDENT violated NAC 645.655 (8) when she failed to
20 sufficiently maintain separate ledger accounts for all properties, she managed including
21 the Bandera Creek property.

22 2. RESPONDENT violated NRS 645.630(1)(g)(1) by failing, to balance her trust
23 accounts on monthly basis, and by failing to discover that she was receiving overpayments
24 on the Bandera Creek property, even though she was no longer managing the property.

25 3. RESPONDENT violated NRS 645.630(1)(h) by commingling the
26 overpayments she received from Mr. McGrath for her personal use and by improperly using
27 the overpayments to pay operating expenses, pay vendors, management fees and to keep
28 the "left over as her payment."

1 6. On September 23, 2022, RESPONDENT sent the tenants of The Properties
2 an email notifying them that the owners of their properties decided to return to Vegas Real
3 Estate and Management for property management services and that rents needed to be
4 paid directly to Sahara Wright LLC by deposit into Complainant's Chase Bank account
5 ending in Acct. #6990, or electronically via Zelle mobile payment to "Sahara Wright LLC
6 wright.marilyn@att.net."

7 7. The September 23 email further stated that rents from November onwards
8 would be paid through RESPONDENT'S new software system.

9 8. On or about October 18, 2022, the tenant for Yarmouth Sea Ct. text messaged
10 RESPONDENT to ask if "the new link [was] ready to pay November's rent or is it ok to
11 Zelle again?"

12 9. RESPONDENT responded that the new software system was not yet ready
13 and the tenant could Zelle payment to "Vrampayrent@gmail.com KC rana inc or account
14 #7733821032"

15 10. Tenant at Yarmouth Sea Ct. subsequently made payment for November rent
16 to RESPONDENT via a series of Zelle payments for \$1,000.00 (Nov. 1), \$1,000.00 (Nov. 2),
17 and \$300.00 (Nov 4), totaling \$2,300.00.

18 11. The Tenant at General Whipple Ct. also made payment for November 2022
19 rent via Venmo directly to RESPONDENT'S Venmo account, based on RESPONDENT'S
20 text message that payment could be made by Venmo.

21 12. Complainant only learned about the mobile payments for Yarmouth Sea Ct.
22 and General Whipple Ct. when she separately contacted those tenants to demand their
23 rents on November 23, 2022, only to find out from them that payments had already been
24 made directly to RESPONDENT'S Vrampayrent@gmail.com mobile payment account, for
25 which the tenants both provided supporting text messages and payment receipts.

26 13. As an apparent reaction to those revelations, Complainant sent all of her
27 tenants a November 23, 2022 email entitled "SAHARA WRIGHT LLC – RENT
28 COLLECTION," noting therein that RESPONDENT is "solely responsible for the Lease

1 paperwork & any service calls or repairs needed. She is not authorized to collect rent from
2 anyone.” Complainant also reiterated the only authorized ways to make rental payments:
3 Cash or Check Deposit at your local Chase Bank: Account Name: Sahara Wright LLC
4 Account # 889026990 OR Zelle: Sahara Wright LLC wright.marilyn@att.net.”

5 14. On December 12, 2022, the tenant at Ruggles Mansion sent an email to
6 Complainant to confirm his payment of December 2022 rent via Zelle directly to
7 RESPONDENT’S Vrampayrent@gmail.com Zelle account. He further noted that he was
8 unable to see Complainant’s November 23, 2022 “SAHARA WRIGHT LLC – RENT
9 COLLECTION” email because it went to his spam folder.

10 15. RESPONDENT collected rents on behalf of Complainant for the following
11 properties, which payments went to RESPONDENT’s own mobile payment accounts
12 instead of the accounts Complainant authorized and/or which were noted in the property
13 management agreement:

- 14 a. \$2,300.00 in rent for 10212 Yarmouth Sea Ct., Las Vegas, Nevada
15 89166 for November 2022;
- 16 b. \$2,300.00 in rent for 7515 General Whipple Ct., Las Vegas, Nevada
17 89166 for November 2022;
- 18 c. \$2,300.00 in rent for 7514 Derby Wharf Ct., Las Vegas, Nevada 89166
19 for December 2022; and
- 20 d. \$2,100.00 in rent for 10220 Ruggles Mansion, Las Vegas, Nevada 89166
21 for December 2022.

22 16. RESPONDENT has failed, as of December 12, 2022, to tender those rental
23 payments to Complainant.

24 17. On or about January 4, 2023, the Division properly notified RESPONDENT
25 that it had obtained sufficient evidence to commence disciplinary action against her based
26 on the complaint received.

27 **VIOLATIONS OF LAW (CASE 2021-264)**

1 Based on the foregoing findings of fact, the Commission unanimously concludes that
2 RESPONDENT has committed the following violations of law:

3 1. RESPONDENT violated NRS 645.630(1)(f) by failing, within a reasonable
4 time, to account for or to remit any money which comes into her possession and which
5 belongs to others, when she failed to account for and timely remit \$9,000.00 in total rents
6 for four different occasions;

7 2. RESPONDENT violated NRS 645.630(1)(h) by commingling rental payments
8 made by tenants of The Properties with Respondent's own personal and/or business funds,
9 in a manner contrary to the rental payment methods specifically authorized in the parties'
10 property management agreement.

11 3. RESPONDENT is in violation of NRS 645.633(1)(h) for gross negligence or
12 incompetence for failing to carry out her duties pursuant to the terms of the property
13 management agreement on four different occasions.

14 4. RESPONDENT is in violation of NRS 645.633(1)(i) for engaging in conduct
15 which constitutes deceitful, fraudulent or dishonest dealing by accepting rents on behalf of
16 the property owner without authorization from the property owner.

17 **ORDER**

18 Based on the foregoing findings of facts and conclusions of law, the Commission
19 hereby unanimously orders the following:

20 1. RESPONDENT shall pay the Division a total of \$97,343.95 ("Amount
21 Due"), consisting of \$40,000.00 in fines for Case No. 2021-264, \$40,000.00 in fines for Case
22 No. 2022-890, plus the Division's costs and pre-hearing attorney's fees in the amount of
23 \$17,343.95. The Amount Due shall be paid to the Division within 30 days of the effective
24 date of this Order.

25 2. If the Amount Due is not actually received by the Division on or before its
26 due date, it shall constitute a default by RESPONDENT. In the event of default, the unpaid
27 balance of the administrative fine and costs, together with any attorney's fees and costs
28 that may have been assessed, shall be due in full to the Division within ten calendar days

1 of the date of default, and the Division may obtain a judgment for the amount owed,
2 including collection fees and costs.

3 3. All of RESPONDENT's licenses, permits, and certificates issued by the
4 Division are hereby revoked.

5 4. The Commission retains jurisdiction for correcting any errors that may
6 have occurred in the drafting and issuance of this document.

7 5. This order shall become effective on the 22nd day of January,
8 2024.

9 DATED this 22nd day of December, 2023.

10 REAL ESTATE COMMISSION
11 STATE OF NEVADA

12
13 By: 
President
Nevada Real Estate Commission

14 Submitted by:
15 AARON D. FORD
Attorney General

16
17 By: /s/ Phil W. Su
Phil W. Su, Esq.
Senior Deputy Attorney General
18 555 E. Washington Avenue, Suite 3900
Las Vegas, Nevada 89101
19 (702) 486-3420
20 *Attorneys for Nevada Real Estate Division*