

1 BEFORE THE REAL ESTATE COMMISSION

2 STATE OF NEVADA

3 SHARATH CHANDRA, Administrator,
4 REAL ESTATE DIVISION, DEPARTMENT
5 OF BUSINESS & INDUSTRY,
6 STATE OF NEVADA,

7 Petitioner,

8 vs.

9 CYNTHIA A. HALL,

10 Respondent.

Case No. 2021-221

FILED

MAR 31 2023

REAL ESTATE COMMISSION

BY *Kelley Valadez*

11 **COMPLAINT AND NOTICE OF HEARING**

12 The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY
13 OF THE STATE OF NEVADA (“Division”) hereby notifies RESPONDENT CYNTHIA A. HALL
14 (“RESPONDENT”) of an administrative hearing before the STATE OF NEVADA REAL ESTATE
15 COMMISSION (“Commission”). The hearing will be held pursuant to Chapters 233B and Chapter 645
16 of the Nevada Revised Statutes (“NRS”) and Chapter 645 of the Nevada Administrative Code (“NAC”).
17 The purpose of the hearing is to consider the allegations stated below and to determine if the
18 RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.630 and/or NRS
19 622.400, and the discipline to be imposed, if violations of law are proven.

20 **JURISDICTION**

21 RESPONDENT was at all relevant times mentioned in this Complaint licensed as a Salesperson
22 under license number S.0045154 and is therefore subject to the jurisdiction of the Division and the
23 Commission, and the provisions of NRS chapter 645 and NAC chapter 645. **NRED 0005-0006.**

24 **FACTUAL ALLEGATIONS**

25 1. On March 10, 2021, the Division received a complaint against RESPONDENT from
26 RESPONDENT’s former employee, Echo Wood (“Complainant”), alleging overcharging property
27 owners and commingling funds. **NRED 0012.**

28 2. RESPONDENT is an owner of Southwestern Management And Realty Team
 (“SMART”).

1 3. SMART maintained a Chase Bank Owners Trust Account, ending in 9887, wherein
2 SMART maintained all property owners' monies of properties managed by SMART. **NRED 0031.**

3 4. SMART also maintained a Bank of Nevada Tenant Trust account, which appears to be
4 another account maintaining the funds of several SMART property owners. **NRED 00250-0329.**

5 5. RESPONDENT owns 3155 Casey Drive #203, Las Vegas, NV 89120 (the "Casey
6 Property"). **NRED 0093-0102.**

7 6. The Residential Property Agreement dated August 1, 2019 (the "RPA") for the Casey
8 Property between RESPONDENT and RESPONDENT's husband, as property owners, and
9 RESPONDENT as broker for SMART, was on a Great Las Vegas Association of Realtors form revised
10 in November 2019. **NRED 0060-0071.**

11 7. RESPONDENT did not provide another property management agreement for the Casey
12 Property.

13 8. RESPONDENT leased the Casey Property to the first tenant from June 3, 2019 to
14 September 30, 2019, and the second tenant from December 27, 2019 to March 31, 2021. **NRED 0080-**
15 **0082.**

16 9. On March 2, 2020, the second tenant of the Casey Property executed SMART's
17 Additional Terms and Conditions Addendum, a SMART's Rent Payments informational form, SMART's
18 Lease Renewals form, and initialed SMART's Tenants House Rules form. **NRED 0085-0091.**

19 10. On May 11, 2020, RESPONDENT received a distribution from SMART's Owner's Trust
20 Account in the amounts of \$1,075.00 and \$1,235.00. **NRED 0014.**

21 11. RESPONDENT's Statement of Account for the Casey Property provide that as of June 3,
22 2019, through March 31, 2021, SMART collected the rental monies for the Casey Property, deposited
23 those funds into SMART's Owners Trust Account, and distributed said funds to RESPONDENT. **NRED**
24 **0030-0031; 0080-0082.**

25 12. RESPONDENT's Trust Account Reconciliations for the Chase Bank Owner Trust
26 Account show RESPONDENT had personal funds in the Owners Trust Account with funds of other
27 property owners. **NRED 0182; 0212; 0243.**

28

1 13. RESPONDENT's Trust Account Reconciliations for the Nevada Bank Tenant Trust
2 Account show RESPONDENT had personal funds in the account with funds of other property owners.
3 **NRED 0263; 0283; 0303; 0323.**

4 14. On June 17, 2020, the City of Henderson issued a utility refund check made out to SMART
5 for \$210.08. **NRED 0019.**

6 15. On June 22, 2020, RESPONDENT emailed Complainant, regarding a NV Energy Check
7 for the property located at 2912 Ivorybill Way, North Las Vegas, NV 89084, to inform her that "this
8 check came in the mail this morning. We are depositing it to the BON Gen Acct today." **NRED 0016-**
9 **0019.**

10 16. The NV Energy Check was made out "To The Order of Southwestern Management Team
11 LLC for \$62.80, and was a "CREDIT BALANCE REFUND." **NRED 0017.**

12 17. On July 10, 2020, Complainant received an email from SMART Admin stating "This
13 refund check came in the mail today from NV Energy. I will be putting it in the General Account here
14 shortly." **NRED 0018.**

15 18. On March 10, 2021, the Division sent RESPONDENT correspondence, noting that it
16 received a complaint against RESPONDENT and RESPONDENT's husband, and requested the
17 complete transaction/broker file for the Casey Property and trust account reconciliations due by March
18 24, 2021. **NRED 0010.**

19 19. On April 16, 2021, RESPONDENT, through his attorney, emailed the Division a complete
20 transaction/broker file for the Casey Property, and explained that former employees, including
21 Complainant were responsible for the property owners' utilities, tenant account balances, owner's
22 account balances, and financial recordkeeping, among other responsibilities, and because of his disability,
23 i.e. a visual impairment, RESPONDENT relied on former employees and was not aware of any of the
24 financial irregularities or utility accounts. **NRED 0028-0037.**

25 20. Further, RESPONDENT argues she and her husband retained SMART, a separate legal
26 entity, to manage their property; thus RESPONDENT did not commingle any funds, as the funds in the
27 Owner's Trust Account do not belong to SMART, rather they are RESPONDENT's personal funds.
28 **NRED 0028-0037.**

1 **VIOLATIONS OF LAW**

2 21. RESPONDENT violated NRS 645.310(3) when she commingled his personal funds with
3 those funds of property owners managed by RESPONDENT's brokerage.

4 22. RESPONDENT violated NRS 645.310(3) when she failed to deposit utility refund checks
5 to the appropriate property owners, and instead deposited the utility refund checks into the
6 RESPONDENT's brokerage general operating account.

7 23. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(11) by engaging
8 in conduct that constitutes deceitful, fraudulent or dishonest by providing the Division with a false RPA
9 for the Casey Property with a date of August 1, 2019, when the RPA Form was revised in November of
10 2019.

11 24. RESPONDENT violated NRS 645.630(1)(e) when she failed to maintain a property
12 management agreement for the Casey Property.

13 25. RESPONDENT violated NRS 645.605(11)(c) and (11)(d) when she acted as a property
14 manager for the Casey Property, by collecting and distributing rental monies from tenants and managing
15 the property, without first obtaining a properly executed property management agreement.

16 **DISCIPLINE AUTHORIZED**

17 Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an
18 administrative fine up to \$10,000 per violation and suspend, revoke or place conditions on your license
19 if warranted.

20 Additionally, under NRS 622.400, the Commission is authorized to impose costs of the
21 proceeding upon RESPONDENT, including investigative costs and attorney's fees if the Commission
22 otherwise imposes discipline on RESPONDENT.

23 Therefore, the Division requests that the Commission take such disciplinary action as it deems
24 appropriate under the circumstances.

25 **NOTICE OF HEARING**

26 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the
27 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and
28 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

1 **THE HEARING WILL TAKE PLACE on May 2, 2023, commencing at 9:00 a.m., or as**
2 **soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing**
3 **at 9:00 a.m. through May 4, 2023, or earlier if the business of the Commission is concluded. The**
4 **Commission meeting will be held on May 2, 2023, at the Nevada State Business Center, 3300 West**
5 **Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102. The meeting will continue**
6 **on each day thereafter commencing at 9:00 a.m. through May 4, 2023, at the Nevada State Business**
7 **Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102, until the**
8 **business of the Commission is concluded.**

9 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**
10 **time as part of a regular meeting of the Commission that is expected to last from May 2, 2023**
11 **through May 4, 2023, or earlier if the business of the Commission is concluded. Thus, your hearing**
12 **may be continued until later in the day or from day to day. It is your responsibility to be present**
13 **when your case is called. If you are not present when your hearing is called, a default may be**
14 **entered against you and the Commission may decide the case as if all allegations in the complaint**
15 **were true. If you have any questions please call Kelly Valadez, Commission Coordinator (702)**
16 **486-4606.**

17 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open meeting
18 under Nevada’s open meeting law, and may be attended by the public. After the evidence and arguments,
19 the commission may conduct a closed meeting to discuss your alleged misconduct or professional
20 competence. A verbatim record will be made by a certified court reporter. You are entitled to a copy of
21 the transcript of the open and closed portions of the meeting, although you must pay for the transcription.

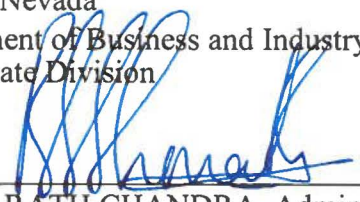
22 As the Respondent, you are specifically informed that you have the right to appear and be heard
23 in your defense, either personally or through your counsel of choice. At the hearing, the Division has the
24 burden of proving the allegations in the complaint and will call witnesses and present evidence against
25 you. You have the right to respond and to present relevant evidence and argument on all issues involved.
26 You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
27 witnesses on any matter relevant to the issues involved.

1 You have the right to request that the Commission issue subpoenas to compel witnesses to testify
2 and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate
3 the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in
4 NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.875.

5 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC
6 645 and if the allegations contained herein are substantially proven by the evidence presented and
7 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
8 pursuant to NRS 645.235, 645.633 and or 645.630.

9 DATED this 30 day of March, 2023.

10 State of Nevada
11 Department of Business and Industry
12 Real Estate Division

13 By: 
14 SHARATH CHANDRA, Administrator
15 3300 West Sahara Avenue, Suite 350
16 Las Vegas, Nevada 89102

17 AARON D. FORD
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19 By: /s/ Phil W. Su
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