ANS
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BEFORE THE REAL ESTATE COMMISSION
STATE OF NEVADA
SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMEN OF BUSINESS \& INDUSTRY, STATE OF NEVADA,

Petitioner,
vs.

NATHAN VIDRINE



APR 172023
REAL ESTATE COMMISSION


## ANSWER TO COMPLAINT

COMES NOW, RESPONDENT NATHAN VIDRINE ("RESPONDENT") by and through his attorney of record, C. Edward Whitney, Esq., and hereby submits this Answer to Complaint and Notice of Hearing. and alleges and avers as follows:

## FACTUAL ALLEGATIONS

1. Answering paragraph 1 of the Complaint, RESPONDENT ADMITS the allegations.
2. Answering paragraph 2 of the Complaint, RESPONDENT DENIES the allegations.

RESPONDENT ADMITS that the Complainant paid a security deposit of $\$ 1650.00$ to lease the Property.
3. Answering paragraph 3 of the Complaint, RESPONDENT ADMITS that his assistant "Lourdes R." did place her signature at the bottom of the document labeled "Security Deposit Agreement." RESPONDENT avers that his assistant was acting as an unlicensed assistant receiving a security deposit and signing as a witness as allowed under NRS and NRED's Informational Bulletin \#010. See Exhibit B.
4. Answering paragraph 4 of the Complaint, RESPONDENT ADMITS the allegations.
5. Answering paragraph 5 of the Complaint, RESPONDENT ADMITS the allegations.
6. Answering paragraph 6 of the Complaint, RESPONDENT ADMITS that he did direct his brokerage computer program to send a bulk email to many tenants including the Complainant. This automated email was sent after a routine audit of expired leases. There was a clerical error that put the move-in date of the Complainant's lease as the end date of the lease. The email said in full "We are reaching out to you, to give you an opportunity to renew your lease. Our Goal is to have you renew your lease. Please take time to look at comps on zillow and realtor.com so that we can renew your lease at the best rate we can offer." The email contains Nathan's name and telephone number with his email address of Nathan@tkpsrealty.com at the bottom of the message. NRED 000061. RESPONDENT ADMITS that there was an attachment to the email of a 45 Day Notice of Increased Rent. NRED 000046. RESPONDENT alleges that this clerical error did not violate the Nevada Revised Statutes.
7. Answering paragraph 7 of the Complaint, RESPONDENT ADMITS that two weeks after the initial email, Complainant sent an email which stated "Nathan, I received this. Would the owner be willing to go for $\$ 1650$ /month." RESPONDENT DENIES that it was sent to him, but rather first it was sent to a donotreply email and then it was sent to
info@tkpsrealty.com and Leasing@tkpsrealty.com around midday on Thursday, July 29, 2021. NRED 000100. RESPONDENT notes that in the Complainant's emails on July 29, 2021, the Complainant did not identify his property address.
8. Answering paragraph 8 of the Complaint, RESPONDENT ADMITS that he did not answer Complainant's email as it was not sent to his email address, Nathan@tkpsrealty.com, but was sent to info@tkpsrealty.com and Leasing@tkpsrealty.com. RESPONDENT ADMITS that his office assistant is unlicensed and that she responded to Complainant's email on Friday, July 30, 2021 within 24 hours of receiving it. She answered the email because answering email sent to info@tkpsrealty.com is part of her job responsibility. NRED 000029-000030. RESPONDENT avers that having his office assistant respond to the Complainant's email by asking for his property address is not violation of NRS or NAC as there was no activity in this communication that would require a license. See Exhibit B.
9. Answering paragraph 9 of the Complaint, RESPONDENT ADMITS that on July 31, 2021, a Saturday, at 10:49 PM, Complainant sent an email in which he states "This email serves as my 30 day notice to vacate effective immediately. I will be vacating the property on august 30 . Thank you. Let me know if there's any issues as soon as possible." RESPONDENT DENIES that this notice allowed Complainant to get out of his lease. NRED 000029 - 000030.
10. Answering paragraph 10 of the Complaint, RESPONDENT ADMITS that on Monday, August 2, 2021, the next business day after Complainant's previous email was received, RESPONDENT's office assistant, "Ally Alvarez," did inform Complainant that the Notice of Increased Rent was sent in error and to let her know "if you will still be moving
out or continue with your lease." NRED 000029 and NRED 000028. RESPONDENT avers that such an email from his assistant is not a violation of NRS or NAC. See Exhibit B.
11. Answering paragraph 11 of the Complaint, RESPONDENT ADMITS that over two weeks later ( 16 days), Complainant responded to the email by emailing Leasing@,tkpsrealty.com, "Ally Alvarez," the office assistant, stating "I will still be vacating the property as previously emailed." NRED 000029. RESPONDENT avers that upon further research, he found out that the Complainant was in a relationship and was moving or had moved into his girlfriend's house.
12. Answering paragraph 12 of the Complaint, RESPONDENT ADMITS that the ledger at NRED 000109 shows an Active End date of August 31, 2021. .RESPONDENT avers that this is because the ledger was updated when the Complainant returned the keys to the property and once a new tenant was found as per NRS 118. RESPONDENT further notes that the report at NRED 000109 was produced on January 6, 2022.
13. Answering paragraph 13 of the Complaint, RESPONDENT ADMITS that the Complainant forfeited his security deposit and was assessed charges for the remainder of the lease term. This was in accordance with the lease that he signed at NRED 000031000045. RESPONDENT DENIES that the Active End date shown in NRED 000109 was the last day of the lease. Rather the lease itself indicated the end of the lease date which was $2 / 28 / 2022$. NRED 000032. Also, the email sent to the Complainant by the office assistant indicated an end date of $2 / 28 / 2022$. NRED 000029. RESPONDENT avers that under applicable state statutes, the Complainant would still be responsible for the term of his lease until the property is rented.
14. Answering paragraph 14 of the Complaint, RESPONDENT ADMITS that the Complainant alleged he left the home in pristine condition. RESPONDENT notes that the Statement of Security Deposit Refund did not assess any amount of the Security Deposit for cleaning or repairing the Property. NRED 000101
15. Answering paragraph 15 of the Complaint, RESPONDENT ADMITS that in the October 4, 2021 email, Complaint alleged his bank sent the August payment in error. RESPONDENT further ADMITS that the Complainant requested RESPONDENT to return funds in addition to the security deposit, for a total amount due of \$4,664.00. NRED 000028. RESPONDENT notes that the $\$ 4,664.00$ total is made up of the rent of $\$ 1507.00$ for August 2021, the autopay payment of $\$ 1507.00$ on August $27^{\text {th }}, 2021$, and the security deposit of $\$ 1650.00$. NRED 000025. RESPONDENT alleges that it is common practice for people who break their lease to pay rent until one of two things happen. The first is that the tenant pays the lease buy-out amount that is set forth in the lease. The second is that the property is re-rented. In relation to the payment on August $27^{\text {th }}, 2021$ RESPONDENT states that he thought the Complainant was simply paying rent until the property was re-rented. RESPONDENT thought this because the Complainant is a business owner and deals with contracts all the time, including commercial leases. RESPONDENT alleges that the Complainant got his amount of damages wrong that it should have been only the security deposit and September's rent payment.
16. Answering paragraph 16 of the Complaint, RESPONDENT ADMITS what is presented in paragraph 16. Additionally, RESPONDENT added to his email "Let me see what we can do to get you some if any money back." NRED 000028. RESPONDENT alleges that he did let the Complainant know his stance on what he believed to have happened.

RESPONDENT also told his client, the owner of the property, what had happened and how RESPONDENT believed that Complainant had broken the lease due to the RESPONDENT promptly letting the Complainant know that the lease renewal and notice of increase in rent was sent in error.
17. Answering paragraph 17 of the Complaint, RESPONDENT ADMITS that he questioned the Complainant in an email sent on October 4, 2021 by asking "My Question is, Why did you you not point out that the notice was wrong? or say, hey I just moved in you cant Raise the rent" RESPONDENT DENIES that he was blaming the Complainant for not noticing the Notice of Increased Rent was wrong but RESPONDENT just wanted to understand the reasoning and thought process of the Complainant in order to evaluate the situation. RESPONDENT had a duty to understand the situation with the Complainant in order to protect RESPONDENT's client's interest, to which RESPONDENT owes multiple duties. RESPONDENT avers that he was seeking understanding of the situation in order to be fully informed when he talked with his client, the owner, to see if there could be a resolution to the situation that was acceptable to all sides. RESPONDENT further avers that he needed to have complete knowledge of the situation in order to make a proper decision. Further, RESPONDENT alleges that when notices of rent increases have been sent in error in the past, that most tenants have responded quicker than the two weeks it took Complainant to respond. At the time of the October $4^{\text {th }}$ email, RESPONDENT already had information that Complainant had moved in with his girlfriend and not leased another property as he had stated. RESPONDENT alleges that he talked with Complainant's attorney and offered to refund half of the extra month's rent
and the security deposit just to settle and that if the Complainant produced a signed lease, then RESPONDENT would refund the full deposit and the September's rent.
18. Answering paragraph 18 of the Complaint, RESPONDENT ADMITS that he has not returned Complainant's security deposit or Complainant's August rent. RESPONDENT points out that Complainant was never due the August rent, because according to Complainant's own statements, he vacated the property at the end of August and there are no grounds for letting the tenant have possession of the property for free. RESPONDENT DENIES that August $31^{\text {st }}$ was a valid termination date as the Notice of Rent Increase was sent in error and was not intended to alter the lease. RESPONDENT alleges that the security deposit was properly held back in accordance with NRS 118 for deductions and unpaid rent. This was not a violation of the law but protection for RESPONDENT's client who indeed believed the lease was broken. RESPONDENT further alleges that the original Complaint by the Complainant was involving the return of money (security deposit and overpayment) to Complainant and as such, is beyond the scope and authority of the Real Estate Division. RESPONDENT alleges that the original Complaint should have been referred to a civil court where the court could rule on the lease renewal and whether it was valid or if a clerical error can break a lease.
19. Answering paragraph 19 of the Complaint, RESPONDENT ADMITS that the Real Estate Division issued A Notice of Violation with Imposition of Administrative Fine in the amount of $\$ 1,000.00$. RESPONDENT further points out that the Facts and Rationale for Finding contains factual inaccuracies. First, there is no evidence that RESPONDENT's assistant's communicated with RESPONDENT's client, the landlord. Second, RESPONDENT did not take 17 days to respond to Complainant after Complainant gave
notice to vacate. Nowhere in the emails between Complainant and RESPONDENT does it show that RESPONDENT took 17 days to respond to Complainant after he gave the notice to vacate. Complainant never stated in his emails that RESPONDENT took 17 days to respond after Complainant gave his notice to vacate. Rather, the email evidence shows that RESPONDENT's office assistant responded to Complainant on the next business day after Complainant gave his notice to vacate. RESPONDENT notes that the Real Estate Division never mentioned the Security Deposit Agreement in their Notice of Violation and that RESPONDENT was not aware that the Real Estate Division felt that the Security Deposit Agreement supported the violations until the Complaint was delivered on March $20^{\text {th }}$ of this year.
20. Answering paragraph 20, RESPONDENT DENIES that RESPONDENT's Attorney appealed. RESPONDENT ADMITS that he himself appealed the Notice of Violation with Imposition of Administrative Fine by emailing Jan Holle on April $14^{\text {th }}, 2022$ because he felt that the facts of the case, having an office assistant responding to tenant to ask for the name of the property and to inform the tenant that something was sent in error is not a violation of the law, especially when done with the promptness in the instant case. Emailing Mr. Holle had been an acceptable means of appealing such decisions in the past and was within the 30-day period given to appeal decisions. RESPONDENT does ADMIT that his Attorney sent an appeal to Jan Holle on September 28, 2022. which laid out the arguments and facts as to why the Notice of Violation with Imposition of Administrative Fine should be overturned.

## AFFIRMATIVE DEFENSES

## FIRST AFFIRMATIVE DEFENSE

Under Nevada law, RESPONDENT owed multiple duties to his client, the landlord, which required him to act how he did in this case, especially to enforce the terms of the lease which included using any monies received from the Complainant to pay for the breach of the lease.

## SECOND AFFIRMATIVE DEFENSE

Nevada law would have prevented Turn Key from raising the rent in the middle of the lease term, therefore the whole 45 day notice of increase in rent is void including the option to vacate.

## THIRD AFFIRMATIVE DEFENSE

If RESPONDENT would have accepted the Complainant's email offer of an increase in rent, it would not have been enforceable under Nevada law nor the lease. Therefore equity and fairness demands that the part of the 45 day notice of increase in rent that allows the tenant to terminate the lease should also not be enforceable.

## FOURTH AFFIRMATIVE DEFENSE

The Nevada Real Estate Division exceeded it's authority in investigating this complaint as it involves the return of a security deposit and rent which is beyond the authority of the Division except in cases of fraud.

## RESPONSES TO ALLEGED VIOLATION OF LAW

RESPONDENT DENIES that he violated the laws set forth in paragraphs 1 and 2.

RESPONDENT ADMITS paragraphs 3,4 , and 5 .
RESPONDENT responds to paragraph 6 by asking the Real Estate Division to take no disciplinary action against RESPONDENT as none is warranted under the facts of this case.

Dated this $17^{\text {th }}$ of April, 2023.
/s/ C. Edward Whitney
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