

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 AJAY GERALD DAYAL,
(S.0172484)

Respondent.

Case No. 2021-422

FILED

JAN 20 2023

REAL ESTATE COMMISSION

BY Kelley Valadez

10 **COMPLAINT AND NOTICE OF HEARING**

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

19 **JURISDICTION**

20 RESPONDENT, at all relevant times mentioned in this Complaint, was and is actively licensed
21 as a Salesperson under license number S.0172484. RESPONDENT is, therefore, subject to the
22 jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter
23 645.

24 **FACTUAL ALLEGATIONS**

25 1. On April 21, 2015, Quantified Investment Group LLC registered as a business in Nevada,
26 representing RESPONDENT as the registered agent and managing member, and Complainant listed as a
27 managing member, amongst Cathy L D'Angelo (S.0022744), Kenneth J Jacobi (B.1000851.INDV,
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1 B.1001220.LLC, PM.0165873.BKR effective 09/01/2021) and Diane R Langdon. NRED 000027 –
2 NRED 000029.

3 2. At all times relevant to this Complaint, on or about August 25, 2015 to the present,
4 RESPONDENT associates with the brokerage Quantified Investment Group, 5830 Flamingo Road #101,
5 Las Vegas, NV 89103. NRED 000002 – NRED 000003.

6 3. Complainant alleges RESPONDENT invited him to invest in a company called Quantified
7 Development Group LLC, and as such, on October 27, 2015, Complainant/Quantified Development
8 Group LLC deposited \$20,000 with First American Title Insurance Company regarding the real property
9 4998 East Philadelphia Avenue, Las Vegas, NV 89104 (the “Property”) with a sales price of \$192,000.
10 NRED 000007 – NRED 000010, NRED 000013, NRED 000021 – NRED 000025.

11 4. On or about October 28, 2015, the Property was deeded to Quantified Development Group
12 LLC. NRED 000014 – NRED 000016.

13 5. On October 29, 2015, Complainant/Quantified Development Group LLC, deposited
14 \$3,975.69 allegedly for closing costs with the title company regarding the Property. NRED 000011.

15 6. On October 29, 2015, a Deed of Trust with Assignment of Rents, was recorded, securing
16 the remainder of the payment of \$172,000 between Trustor Quantified Development Group LLC, and
17 Trustee identified as Mike Vu, seller of the Property. NRED 000056 – NRED 000058.

18 7. Effective November 18, 2015, Complainant, identified as Independent Investor, and
19 Quantified Investment Group LLC, identified as Partner, entered into a Letter of Agreement, agreeing to
20 a partnership structure between RESPONDENT and Complainant. NRED 000017 - NRED 000019.

21 8. In Section 1 of the Letter of Agreement, the parties agreed to form a new company called
22 Quantified Capital Group, LLC in Las Vegas to perform loan mortgages. The agreement provided
23 Complainant would loan the initial start-up capital of around \$100,000. NRED 000017 - NRED 000019.

24 9. In Section 3 of the Letter of Agreement, Quantified Investment Group, LLC, defined as a
25 real estate brokerage company, provided Complainant, a person who is not licensed as a real estate broker,
26 broker-salesperson or salesperson, would enjoy a 5% commission from the brokerage’s portion of the

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1 10. commission received from all residential and commercial deals, on any side of the deal.
2 NRED 000017 - NRED 000019.

3 11. In Section 4 of the Letter of Agreement, Quantified Management Group, LLC, defined as
4 a real estate management company, provided Complainant, a person who is not licensed as a real estate
5 broker, broker-salesperson or salesperson, would enjoy 5% of the Net Profits of the total revenue from
6 the operations. NRED 000017 - NRED 000019.

7 12. In Section 5 of the Letter of Agreement, Quantified Development Group, LLC, defined as
8 a real estate development and investment company, provided Complainant, a person who is not licensed
9 as a real estate broker, broker-salesperson or salesperson, would enjoy 10% of what RESPONDENT is
10 getting from the deal whether it be profits or commissions. NRED 000017 - NRED 000019.

11 13. On November 19, 2015, a \$100,000 checking deposit was made into Complainant's
12 account. NRED 000012.

13 14. On November 20, 2015, \$100,000 was withdrawn from Complainant's checking account
14 for Quantified Investment Group. NRED 000012.

15 15. Commencing on November 25, 2015, Seller/Complainant/Quantified Development
16 Group, LLC and Broker Quantified Investment Group, entered into an Exclusive Authorization and Right
17 to Sell, Exchange or Lease Brokerage Listing Agreement (the "ER") for the Property, to be listed for sale
18 at \$235,000, and indicates the intent is not a lease: "IF A LEASE: N/A". NRED 000070 – 000078, and
19 NRED 000071.

20 16. Section 15. RENT/LEASE of the ER, provides that the Property is currently occupied by
21 a tenant and is subject to a property management agreement with Quantified Property Management.
22 NRED 000070 – 000078, and NRED 000073.

23 17. The ER is signed only by Complainant as Quantified Development Group, LLC, and the
24 Broker section only provides a printed name identifying "Ken Jacobi", with no license number provided,
25 and the Designated Licensee as "Darwin T. Telada", with an incomplete provided license number of
26 "70556". NRED 000070 – 000078, and NRED 000077.

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1 18. In Cancellation Instructions from First American Title dated May 19, 2016, Complainant,
2 as Partner of Quantified Development Group LLC, directed \$24,000 be fully disbursed to Quantified
3 Development Group LLC. NRED 000019 - NRED 000020

4 19. A 2018 Schedule K-1 IRS Form 1085 identifying the Partnership as Quantified
5 Investment Group LLC and Partner as Complainant, reported a loss. NRED 000030 – NRED 000035.

6 20. A 2018 Schedule K-1 IRS Form 1085 identifying the Partnership as Quantified
7 Development Group LLC, and Partner as Complainant, reported negative ending capital. NRED 000036
8 – NRED 000039.

9 21. Complainant allegedly sent text messages between October 2, 2019 and June 11, 2020 to
10 RESPONDENT requesting his portion of proceeds from the investments received on the Property, to no
11 avail. NRED 000040 – NRED 000043.

12 22. On or about April 19, 2021, Complainant executed a formal complaint Statement of Fact
13 against the RESPONDENT alleging deceitful dealings. NRED 000007 - NRED 000043.

14 23. In a letter dated May 6, 2021, RESPONDENT, through his attorney Brandon L. Phillips,
15 addressed the Division’s notice of complaint against RESPONDENT letter dated April 22, 2021,
16 providing that a 2020 tax filing extension was filed with the IRS. NRED 000046 – NRED 000047.

17 24. Also in his letter, RESPONDENT’S Attorney Phillips, further admitted rent was obtained
18 and not remitted: “Any rent obtained from the Property was either used for maintenance or to pay any
19 mortgage held against the Property.”. NRED 000046 – NRED 000047.

20 25. Despite claims that RESPONDENT was making payments on the mortgage, on October
21 6, 2021, a Declaration of Default and Demand for Sale was recorded on the Property and was eventually
22 sold off on February 4, 2022. NRED 000104 – NRED 000107.

23 **VIOLATIONS OF LAW**

24 RESPONDENT has committed the following violations of law:

25 26. RESPONDENT violated NRS 645.280(1) when he, as a licensed salesperson, per the
26 Letter of Agreement offered and promised, 5% and/or 10% parts of his share of commission and
27 compensation arising and/or accruing for any real estate transaction to Complainant who is not a licensed

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1 real estate broker, broker-salesperson or salesperson, in consideration of the partnership services
2 performed and/or to be performed by the Complainant.

3 27. RESPONDENT violated NRS 645.630(f) when he failed, within a reasonable time and/or
4 never at all, to account for or remit any money which came into his possession and which belonged to
5 Complainant, by failing to provide K-1s and any reports indicating the financial status of the Property.

6 28. RESPONDENT violated NRS 645.633(1)(h) for acts constituting gross negligence and/or
7 complete incompetence when he, within the Letter of Agreement, negotiated promises and offerings of
8 commissions arising from real estate deals to Complainant who is not a real estate licensee; failed to
9 provide K-1s to Complainant; failed to remit profits which came into his possession and belonged to
10 Complainant; and failed to make payments on the Property which resulted in loss of the Property.

11 29. RESPONDENT violated NRS 645.633(1)(i) for conduct which constitutes deceitful,
12 fraudulent and/or dishonest dealings when he induced Complainant to invest \$20,000 for a down payment
13 on the Property and to pay the closing costs for the Property with the intention that RESPONDENT would
14 sell the Property and Complainant would share in the profits from the sale as indicated in the Letter of
15 Agreement; but RESPONDENT did not sell the property. Further, RESPONDENT extracted an
16 additional \$100,000 from Complainant for ownership in the Quantified businesses where
17 RESPONDENT represented Complainant would receive income which Complainant never received.

18 **DISCIPLINE AUTHORIZED**

19 30. Pursuant to NRS 645.630 and NRS 645.633, the commission is empowered to impose and
20 administrative fine per violation against RESPONDENT that may not exceed \$10,000, and further to
21 suspend, revoke or place conditions on the license of RESPONDENT;

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

25 32. Therefore, the Division requests that the Commission take such disciplinary action as it
26 deems appropriate under the circumstances.

1 **NOTICE OF HEARING**

2 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the
3 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and
4 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

5 **THE HEARING WILL TAKE PLACE on February 21, 2023, commencing at 9:00 a.m., or**
6 **as soon thereafter as the Commission is able to hear the matter, and each day thereafter**
7 **commencing at 9:00 a.m. through February 23, 2023, or earlier if the business of the Commission**
8 **is concluded. The Commission meeting will be held on February 21, 2023, at the Nevada State**
9 **Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102.**
10 **The meeting will continue on each day thereafter commencing at 9:00 a.m. through February 23,**
11 **2023, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room,**
12 **Las Vegas, Nevada 89102, until the business of the Commission is concluded.**

13 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**
14 **time as part of a regular meeting of the Commission that is expected to last from February 21, 2023**
15 **through February 23, 2023, or earlier if the business of the Commission is concluded. Thus, your**
16 **hearing may be continued until later in the day or from day to day. It is your responsibility to be**
17 **present when your case is called. If you are not present when your hearing is called, a default may**
18 **be entered against you and the Commission may decide the case as if all allegations in the complaint**
19 **were true. If you have any questions, please call Kelly Valadez, Commission Coordinator, at (702)**
20 **486-4606.**

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

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

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

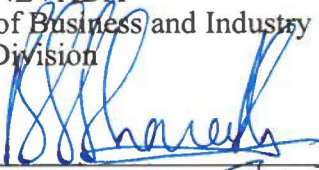
9 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC
10 645 and if the allegations contained herein are substantially proven by the evidence presented and
11 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
12 pursuant to NRS 645.235, 645.633 and or 645.630.


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14
15 DATED this 19 day of January 2023.

DATED this 19th day of January 2023.

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17 STATE OF NEVADA
18 Department of Business and Industry
19 Real Estate Division

AARON D. FORD
Attorney General

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