

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2019-1122

Petitioner,

FILED


vs.

OCT 05 2022

PAUL M. WYNN,

REAL ESTATE COMMISSION

Respondent.

BY 

FINDING OF FACT, CONCLUSIONS OF LAW, AND ORDER

This matter came on for hearing before the Real Estate Commission, Department of Business and Industry, State of Nevada (the "Commission"), during a regular agenda set for a three-day stack commencing on September 27, 2022 (the "Hearing"). RESPONDENT Paul M. Wynn ("RESPONDENT") appeared at the Hearing. Louis V. Csoka, Esq., 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"). After hearing testimony presented in this matter and for good cause appearing, the Commission now enters its Findings of Fact, Conclusions of Law, and Order against RESPONDENT as follows:

JURISDICTION

RESPONDENT, at all relevant times mentioned in the associated Complaint, held a Broker/Salesperson license number BS. 0143587, and is, therefore, subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

FINDINGS OF FACT

The Commission, based on the evidence presented during the Hearing and the vote that carried, enters the finding of the following facts:

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1 1. There is a statement of fact filed by COMPLAINANT DANIEL LEON, which concerns
2 the sale (“July 2017 Sale”) to him of a mobile home lot (the “Lot”) and attached mobile home (the
3 “Mobile Home”) (collectively, “the Property”) located at 6255 Bryce Canyon Avenue, Las Vegas,
4 Nevada 89156.

5 2. Joy Haines (“Seller Haines”) was the owner of record and bona fide seller in the July 2017
6 Sale.

7 3. At all relevant times, RONALD POWELL (“POWELL”) owned and controlled RKA
8 Investment Properties, LLC (“RKA”) as its managing member.

9 4. At all relevant times, RESPONDENT PAUL M. WYNN (“RESPONDENT”) owned and
10 controlled Desert Acquisitions, LLC (“Desert Acquisitions”) as its managing member.

11 5. RESPONDENT also held an active broker-salesperson real estate license under Wynn
12 Realty Group at all times relevant to this Complaint.

13 6. The COMPLAINANT asserts that English is not his first language and that he relied on
14 his “contact” for the July 2017 Sale, Pedro Gongora (“Gongora”) to inform him of the nature of
15 transaction and the documents that he was signing.

16 7. At all times relevant, Pedro Gongora (license number S.0179634) was employed as a real
17 estate salesperson under RESPONDENT’s real estate agency, Wynn Realty Group.

18 8. Notwithstanding the involvement of Gongora on behalf of COMPLAINANT in the July
19 2017 Sale, RESPONDENT asserted in his affidavit to the Division that “[t]his transaction was between
20 savvy investors and no party involved was represented by a Real Estate licensee.”

21 9. Although Gongora served as COMPLAINANT’S “contact” and facilitated
22 COMPLAINANT’S involvement in the July 2017 Sale, escrow documentation indicates that neither
23 Gongora nor Wynn Realty Group claimed any commission during escrow from the July 2017 Sale.

24 10. Instead, payment was made to another entity controlled by RESPONDENT, Desert
25 Acquisitions, in the form of a fee for transferring its assignment (which was itself subject to a prior
26 assignment) on the underlying purchase agreement for the Property to COMPLAINANT.

1 11. COMPLAINANT claims that he was not informed of registration and title defects on the
2 Mobile Home at the time of sale, and only learned about those defects when he encountered difficulties
3 trying to resell the Lot and Mobile Home after the July 2017 Sale.

4 12. On July 12, 2017, Seller Haines entered into a Residential Purchase Agreement (“First
5 Purchase Agreement”) with “RKA Investment Properties, LLC or Assignee” to sell the Property and
6 Mobile Home to RKA for forty-five thousand dollars (\$45,000.00).

7 13. The First Purchase Agreement states, under ‘Additional Terms,’ that “[t]he buyer is
8 purchasing the property in AS-IS condition, and will not hold the seller liable for and [sic] repairs or
9 condition of the property. Escrow will be handeled [sic] with Kelly Lobeck at Ticor Title... The seller
10 understands the buyer is a discount home buyer, and may unilaterally buy, sell or Assign the property.
11 The Manufactured home is not attached on record to the physical land, however will be included in the
12 transaction of the property and will be deeded over to the buyer.”

13 14. Meanwhile, Gongora presented to COMPLAINANT a July 14, 2017 Residential Property
14 Agreement (the “Gongora Purchase Agreement”) created through his Wynn Realty Group InstanetForms
15 account, which stated that the purchase price of the Property was seventy-five thousand dollars
16 (\$75,000.00) and did not include the ‘Additional Terms’ that were in the First Purchase Agreement.

17 15. The Gongora Purchase Agreement, which COMPLAINANT signed, was never counter-
18 signed by Seller Haines or any other party and therefore had no operative effect on the July 2017 sale.

19 16. Instead, the First Purchase Agreement was the operative Purchase Agreement for the July
20 2017 sale, and was subject to two intervening assignments of right:

21 a. POWELL’S entity RKA entered into a July 14, 2017 agreement (“First
22 Assignment”) to assign its rights under the First Purchase Agreement to
23 RESPONDENT’S entity Desert Acquisitions, LLC (“Desert Acquisitions”) for
24 fourteen thousand dollars (\$14,000.00).; and

25 B. Desert Acquisitions entered into a July 14, 2017 agreement (the “Second
26 Assignment”) to assign its rights under the First Assignment to COMPLAINANT
27 for seventeen thousand dollars (\$17,000.00).
28

1 17. On August 1, 2017, RKA and Desert Acquisitions agreed to amend their July 14, 2017 First
2 Assignment to reduce Desert Acquisition's assignment fee from \$14,000.00 to \$13,000.00. This change
3 was made in order to facilitate a \$493.75 payment to HomeVestors, which included a \$368.75 Transaction
4 fee and a \$125.00 marketing fee. The remaining balance was paid to RKA as an "EMD" refund.

5 18. The Mobile Home was registered to an address in Pahrump, Nevada, that was the residence
6 of the prior owner of the Mobile Home. Although the Mobile Home was relocated to the 6255 Bryce
7 Canyon Avenue address, the Mobile Home registration was never properly transferred.

8 19. RESPONDENT stated, in his responsive Affidavit to the Division's subpoena, that "[a]fter
9 reading Mr. Leon's complaint I have made several attempts to contact him and help solve his issues but
10 have not heard back from him. Please feel free to give Mr. Leon my contact information and I would be
11 happy to help."

12 20. The defective Mobile Home registration became a known issue during the escrow process,
13 as demonstrated by the existence of two drafts of the First Purchase Agreement and the preliminary title
14 inspection report: a draft of each that included the Mobile Home in the transaction and an additional (final)
15 draft that does not.

16 21. Because there were apparent concerns that the improperly affixed mobile home would
17 present a problem during the escrow process, the escrow company was instructed to draft an August 1,
18 2017 "Instruction to Escrow" indicating that, for the purposes of this escrow, the value of the mobile home
19 would be \$-0-, that "the policy of title insurance which shall be issued at the close of escrow shall be in the
20 amount of \$45,000.00 which is the value of the real property only," and that the transfer of the Mobile
21 Home would occur "outside of escrow". Seller Haines and COMPLAINANT signed this "Instruction to
22 Escrow."

23 22. Nevertheless, it appears that the escrow company did, in fact, provide COMPLAINANT
24 with documentation regarding sale of the Mobile Home on August 3, 2017, when it conveyed a copy of
25 Seller Haines' July 28, 2017 Bill of Sale for the Mobile Home along with the rest of COMPLAINANT'S
26 closing documents.

27 23. Also included in the closing documents conveyed to COMPLAINANT was an order
28 confirmation for a home warranty policy for a "Single-Family Dwelling under 5,000 sq. ft." It was issued

1 by Old Republic Home Protection for the 6255 Bryce Canyon Avenue address and listed the “home seller”
2 as “Desert Acquisitions” and the “initiating agent (selling agent)” as “Pedro Gongora” of “Wynn Realty.”

3 24. To date, the Mobile Home registration has not been corrected, potentially resulting in
4 further titling complications.

5 25. RESPONDENT initially failed to produce any transaction files in his actual or
6 constructive possession to the Division upon request.

7 26. On April 15, 2020, Ray Crosby, broker for Wynn Realty, subsequently produced
8 documents that he received from Desert Acquisitions in compliance with the Division’s request.

9 **CONCLUSIONS OF LAW**

10 Based on the foregoing findings of fact, the Commission concludes by unanimous vote that
11 RESPONDENT committed the following violations of law:

12 1. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(11)(a), by failing
13 to produce the transaction files upon the Division’s request.

14 **ORDER**

15 1. RESPONDENT shall pay to the Division: (A) a fine of \$ 5,000.00 and (B) the Division’s
16 costs in this matter in the amount of \$10,441.41, which is a total amount of \$15,441.41 (“Amount Due”).
17 The Amount Due shall be payable to the Division, within 90 days of the effective date of this Order.

18 2. RESPONDENT shall also complete a total 9 hours of continued education, which shall
19 be comprised of 3 hours in agency, 3 hours in contracts, and 3 hours in ethics. Said 9 hours of continued
20 education set forth herein above shall be completed within 6 months of the President of the Commission
21 signing this Stipulation. None of the above listed education will count towards license renewal.

22 3. If RESPONDENT fails to comply with the terms of this Order, either with regard to the
23 payment of the administrative fine or the hours of continuing education, RESPONDENT shall be in
24 default of this Order. In the event of default, RESPONDENT’S license shall be immediately suspended
25 until the administrative fine is paid in full and the hours are completed.

26 4. The Division may institute debt collection proceedings for failure to timely pay the total
27 fine, including action to reduce this Order to a judgment. Further, if collection goes through the State of
28 Nevada, then RESPONDENT shall also pay the costs associated with collection.

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To: Paul M. Wynn 8.93

Se: c/o Wynn Realty Group


St: 7495 W Azure, Suite 214

City: Las Vegas, NV 89130

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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| <ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p style="margin-left: 20px;">Paul M. Wynn c/o Wynn Realty Group 7495 W Azure, Suite 214 Las Vegas, NV 89130 <i>Wynn-1122 - amended</i></p> <div style="text-align: center;">  9590 9402 6251 0265 0191 84 </div> <p>2. Article Number (Transfer from service label)</p> <p style="font-size: 1.2em; font-weight: bold;">117 3040 0000 4529 4981</p> | <p>A. Signature</p> <p><input checked="" type="checkbox"/> <i>Virginia Hansen</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p style="margin-left: 20px;"><i>Virginia Hansen</i> 10/11/22</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> | | | | | | | | | | | | | | | | |
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