

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2021-966

FILED

MAR 24 2023

REAL ESTATE COMMISSION

BY Kelley Valadez

Petitioner,

vs.

CHI-HSU YU,
(PM.0164878.BKR, B.0145108.INDV,
BS.0145108)

Respondent.

COMPLAINT AND NOTICE OF HEARING

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division") hereby notifies RESPONDENT CHI-HSU YU ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapters 233B and Chapter 645 of the Nevada Revised Statutes ("NRS") and Chapter 645 of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if the RESPONDENT should be subject to an administrative penalty as set forth in NRS 645.235, NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT, at all relevant times mentioned in this Complaint, was actively licensed under the name Chi-Hsu Yu, as a Property Manager under license number PM.0164878.BKR, Broker under license number B.0145108.INDV, and Broker-Salesperson under license number BS. 0145108. RESPONDENT is, therefore, subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

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FACTUAL ALLEGATIONS

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2 1. At all times relevant to this Complaint, RESPONDENT was a property manager with
3 Hartline Properties LLC from April 19, 2011 to July 31, 2015, with a gap until December 1, 2015 to
4 January 30, 2018, with a 28-day gap between January 31, 2018 and February 27, 2018, when
5 RESPONDENT did not hold a property management permit. NRED 000004.

6 2. At all times relevant to this Complaint, RESPONDENT was a property manager with Y.L.
7 Global Realty from February 28, 2018 to January 31, 2019, with over a year gap between February 1,
8 2019 to February 20, 2020 when RESPONDENT did not hold a property management permit. NRED
9 000004.

10 3. At all times relevant to this Complaint, RESPONDENT was a Broker-Salesperson with
11 Hartline Properties LLC from January 20, 2017 to January 30, 2018. NRED 000005.

12 4. At all times relevant to this Complaint, RESPONDENT was a Broker for Y.L. Global
13 Realty, located at 6268 Spring Mountain Road, Suite 100B, Las Vegas, Nevada 89146, from February
14 28, 2018 to January 31, 2020, with a 20-day gap until February 21, 2020 to Current. NRED 000003.

15 5. On December 23, 2016, a one-year Residential Property Management and Brokerage
16 Agreement for the property located at 5195 Souvenir Lane, Las Vegas, Nevada 89118 was entered into
17 between owners Kan Li and Zeng Zheng and brokerage Propmanagement-4-U with RESPONDENT
18 "Charles Yu" listed as the agent. NRED 000046 – NRED 000058.

19 6. At the time of the Property Management Agreement, RESPONDENT was associated with
20 Hartline Properties LLC, not Propmanagement-4-U. NRED 000046 – NRED 000058, and NRED
21 000002 – NRED 000005.

22 7. The Souvenir Property Management Agreement is presented by "Charles Yu" when
23 RESPONDENT'S real estate certificate of licensure is issued to Chi-Hsu Yu. NRED 000045 – NRED
24 000057, and NRED 000002 – NRED 000005.

25 8. On January 7, 2017, a one-year Residential Lease Agreement for the Souvenir Property
26 was entered into between Souvenir Property Owners and tenants William Wang, Xinrui Cao, and Lin
27 Yang, at a monthly rent rate of \$950.00 with Propmanagement-4-U listed as the designated property
28 manager. NRED 000072 – NRED 000084.

1 9. At the time of the Souvenir Residential Lease Agreement, RESPONDENT was associated
2 with Hartline Properties LLC, not Propmanagement-4-U. NRED 000072 – NRED 000084, and NRED
3 000002 – NRED 000005.

4 10. The Souvenir Residential Lease Agreement is presented by “Charles Yu” when
5 RESPONDENT’S real estate certificate of licensure is issued to Chi-Hsu Yu. NRED 000071 – NRED
6 000083, and NRED 000002 – NRED 000005.

7 11. On April 28, 2017, a one-year Residential Lease Agreement for the property at 10976
8 Toscano Gardens Street, Las Vegas, Nevada 89141 was entered into between Owner Xiu Juan Gao and
9 Tenants Michael and Jay Goldstein, for a monthly rent rate of \$1,285.00 with Propmanagement-4-U as
10 the designated property manager. NRED 000059 – NRED 000071.

11 12. At the time of the Toscano Residential Lease Agreement, RESPONDENT was associated
12 with Hartline Properties LLC, not Propmanagement-4-U. NRED 000059 – NRED 000071, and NRED
13 000002 – NRED 000005.

14 13. The Toscano Residential Lease Agreement is presented by “Charles Yu” when
15 RESPONDENT’S real estate certificate of licensure is issued to Chi-Hsu Yu. NRED 000058 – NRED
16 000070, and NRED 000002 – NRED 000005.

17 14. On January 2, 2018, a one-year Residential Lease Agreement for the property 2129 Clancy
18 Street, Las Vegas, Nevada 89156 was entered into between Owner’s name left blank and Tenant Princella
19 Toliver, for a monthly rent rate of \$1,000. NRED 000085 – NRED 000097.

20 15. At the time of the Clancy Residential Lease Agreement, RESPONDENT was associated
21 with Hartline Properties LLC, not Propmanagement-4-U. NRED 000085 – NRED 000097, and NRED
22 000002 – NRED 000005.

23 16. The Residential Lease Agreement is presented by RESPONDENT Chi-Hsu Yu but under
24 Section 42. Confirmation of Representation of the Clancy Residential Lease Agreement, “Charles Yu”
25 is listed as the agent. NRED 000085 – NRED 000097, and NRED 000002 – NRED 000005.

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1 17. On April 13, 2019, a one-year Residential Lease Agreement for the property 1604
2 Wincanton Drive, Las Vegas, Nevada was entered into between Owner Shirley Den and Tenant Robert D.
3 Atlas, for a monthly rent rate of \$4,500.00 with Y.L. Global Realty as the designated management
4 company. NRED 000098 – NRED 000106.

5 18. RESPONDENT presented the Wincanton Residential Lease Agreement by Hartline
6 Properties LLC when he was the broker of Y.L. Global Realty. NRED 000098 – NRED 000106, and
7 NRED 000002 – NRED 000005.

8 19. The Wincanton Residential Lease Agreement is presented by “Charles Yu” when
9 RESPONDENT’S real estate certificate of licensure is issued to Chi-Hsu Yu. NRED 000098 – NRED
10 000106, and NRED 000002 – NRED 000005.

11 20. From April 6, 2017 to March 30, 2021, RESPONDENT’S ledger demonstrates he
12 collected rents from April 6, 2017 to April 1, 2021. NRED 000032.

13 21. RESPONDENT’S ledger evidenced he remitted rent late to his client on numerous
14 occasions. NRED 000032.

15 22. On March 14, 2019, yet due by no later than January 31st, 2019, RESPONDENT submitted
16 a tardy Form 546A Affidavit in Lieu of FORM 546 to the Division, and perjured himself, by
17 misrepresenting he was exempt from trust account reconciliation when he was not exempt because he
18 accepted monies belonging to others as demonstrated by his own ledger. NRED 000016.

19 23. On March 15, 2021, yet due by no later than January 31st, 2021, RESPONDENT submitted
20 a tardy Form 546A Affidavit in Lieu of FORM 546 and again perjured himself, by misrepresenting he
21 was exempt from trust account reconciliation when he was not exempt because he accepted monies
22 belonging to others as demonstrated by his own ledger. NRED 000016.

23 24. On February 24, 2020, Complainant allegedly emailed RESPONDENT acknowledging
24 receipt of the IRS Form 1099 for the year 2020 but alleging the amounts were incorrect and requested he
25 resend a corrected form. NRED 000019.

26 25. On October 15, 2020, Complainant allegedly emailed RESPONDENT regarding missing
27 rents for the months of July, August, September, and October, inconsistent information on past bills, and
28 requested an update on the second issued HOA violation letter. NRED 000019.

1 26. On September 22, 2021, Complainant allegedly emailed RESPONDENT asking where
2 the rents and deposits were since more than 30 days had passed since the tenant moved out allegedly on
3 August 6, 2021. NRED 000019.

4 27. On September 29, 2021, the Division received a formal complaint from Complainant
5 alleging property management malpractice against her property manager, RESPONDENT, regarding her
6 property located at 5229 Steinbrenner Lane, Las Vegas, Nevada 89118. COMPLAINT. NRED 000017
7 -NRED 000024.

8 **VIOLATIONS OF LAW**

9 RESPONDENT committed the following violations of law:

10 1. RESPONDENT violated NRS 645.630(1)(g)(2) pursuant to NRS 645.310(5) and NAC
11 645.806(2) when on five occasions he failed to submit the proper Trust Account Reconciliations reports
12 to the Division for five years: year 1 - 2019, year 2 - 2020, year 3 - 2021, year 4 - 2022, and year 5 -
13 2023, and failed to submit any forms for three years: year 1 - 2020, year 2 - 2022, and year 3 - 2023.

14 2. RESPONDENT violated NRS 645.310(2) by failing to demonstrate that he promptly paid
15 over the money to his broker at the time Hartline Properties LLC.

16 3. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(4)(a) when, while
17 he was associated with broker Hartline Properties LLC, he misrepresented himself through
18 Propmanagement-4-U as the broker and instructed his owners and tenants to pay him and/or
19 Propmanagement-4-U for performing services related to the Property Management and/or Residential
20 Lease Agreements identified herein.

21 4. RESPONDENT violated NRS 645.630(1)(d) by representing or attempting to represent
22 Propmanagement-4-U as his real estate brokerage other than Hartline Properties LLC the brokerage he
23 was associated with as demonstrated in the Property Management Agreements and Residential Lease
24 Agreements identified herein.

25 5. RESPONDENT violated NRS 645.280(2) for associating with Propmanagement-4-U
26 and/or allegedly accepting monies directly from persons other than his broker Hartline Properties LLC.

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

4 14. Therefore, the Division requests that the Commission take such disciplinary action as it
5 deems appropriate under the circumstances.

6 **NOTICE OF HEARING**

7 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the
8 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and
9 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

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

18 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**
19 **time as part of a regular meeting of the Commission that is expected to last from May 2, 2023**
20 **through May 4, 2023, or earlier if the business of the Commission is concluded. Thus, your hearing**
21 **may be continued until later in the day or from day to day. It is your responsibility to be present**
22 **when your case is called. If you are not present when your hearing is called, a default may be**
23 **entered against you and the Commission may decide the case as if all allegations in the complaint**
24 **were true. If you have any questions, please call Kelly Valadez, Commission Coordinator, at (702)**
25 **486-4606.**

26 **YOUR RIGHTS AT THE HEARING:** except as mentioned below, the hearing is an open meeting
27 under Nevada's open meeting law, and may be attended by the public. After the evidence and arguments,
28 the commission may conduct a closed meeting to discuss your alleged misconduct or professional

1 competence. A verbatim record will be made by a certified court reporter. You are entitled to a copy of
2 the transcript of the open and closed portions of the meeting, although you must pay for the transcription.

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

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

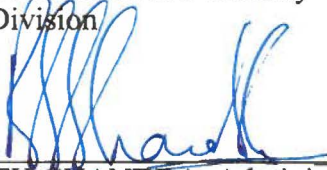
13 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC
14 645 and if the allegations contained herein are substantially proven by the evidence presented and
15 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
16 pursuant to NRS 645.235, 645.633 and or 645.630.


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18 DATED this 24 day of March 2023.

DATED this 20th day of March 2023.

19
20 STATE OF NEVADA
21 Department of Business and Industry
22 Real Estate Division

AARON D. FORD
Attorney General

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