

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2022-133

Petitioner,

FILED

JUL 20 2023

vs.

IYAD W. HADDAD,

REAL ESTATE COMMISSION

BY Kelley Valadez

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 IYAD W. HADDAD ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION ("Commission"). The hearing will be held pursuant to Chapter 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 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT IYAD W. HADDAD, has been licensed as a Nevada real estate broker under license number B.0036691.INDV at all relevant times mentioned in this Complaint, and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645.

FACTUAL ALLEGATIONS

1. At all relevant times mentioned in this Complaint, Iyad W. Haddad ("RESPONDENT") was licensed as a Nevada real estate broker under license number B.0036691.INDV. [NRED0001-0002]

2. On March 1, 2022, COMPLAINANT Paul Allan Reeves ("COMPLAINANT") provided the Division with a signed Statement of Fact and supporting documents alleging that his landlord, Saticoy Bay LLC, has been offering uninhabitable homes for rent, including the property rented by

COMPLAINANT, 5495 Everglade St., Las Vegas, NV 89142 ("5495 Everglade St."). [NRED0005-0007]

3. Specifically as to 5495 Everglade St., the Complainant stated that the unit had issues with electrical, gas and water at the lease inception; that his family was without gas for the first month and a half of renting the unit; and that the electrical in the laundry room was exposed and a fire issue. [*Id.*]

4. Iyad "Eddie" Haddad has been, at all times relevant to this Complaint, manager of Saticoy Bay LLC's trustee, Bay Harbor Trust, and is properly identified as the 'landlord' for 5495 Everglade St. and has been identified in related court proceedings as "Eddie Haddad, DBA Saticoy Bay, Landlord(s)." [NRED0029; 0101; 0125]

5. On March 2, 2022, the Division informed RESPONDENT that it was opening an investigation against him based upon the receipt of the complaint/statement of fact and requested that he submit a signed responsive affidavit with his knowledge of the matter referenced in the complaint/statement of fact, by March 16, 2022. [NRED0016]

6. On March 16, 2022, RESPONDENT's attorney, Michael Bohn, Esq., issued a letter to the Division investigator in response to the March 2, 2022 letter, asserting, among other things, that RESPONDENT himself was not named in the COMPLAINANT's complaint/statement of fact and that the COMPLAINANT had already obtained a judgment regarding the underlying security deposit dispute. [NRED0017-0018]

7. At all times relevant to this Complaint, the 5495 Everglade St. property was managed by Turn Key Property Solutions pursuant to a July 14, 2013 property management agreement, signed by a principal for Turn Key and owner of 5495 Everglade St., identified as "Haddad". [NRED0024-0032]

8. The property management agreement states, under Responsibilities of Owner, "owner will execute contracts for utilities and services before marketing will start on the property including power, water, ETC. for the operation, maintenance and safety of the property as manager shall deem advisable or necessary or as city and state laws may require." [NRED0025]

9. The COMPLAINANT signed a one-year lease for 5495 Everglade St. on May 12, 2021. [NRED0038-0051]

1 10. As part of the move-in process, COMPLAINANT completed a repair request form noting
2 items such as “no hot water heater,” and stating, “need one;” and that the “washer and dryer pipes and
3 electrical need repair.” All requested items, including the issues identified with the water heater, washer,
4 and dryer, were marked “Denied.” [NRED0061-0062]

5 11. Photographs taken on April 27, 2021, prior to the May 12, 2021, move-in date also
6 document issues with electrical in the laundry area and the disconnected water heater. [NRED0096-0098]

7 12. According to an NV Energy 48-Hour Termination of Service Notice for Non-Payment for
8 service address 5495 Everglade St. addressed to Iyad Haddad, service would be terminated at the address
9 on May 12, 2021 (the date the Complainant’s lease was to begin). [NRED099]

10 13. In September 15, 2021, during proceedings for eviction of the tenants at 5495 Everglade
11 St. for non-payment of rent, the tenant stated that as of the date of the hearing there were “exposed 220
12 [watt] wires in the laundry room”, “he was not aware there was no gas in the unit and he was without gas
13 for over a month”, and that he was not aware of the issues until after he signed the lease and tried to turn
14 the utilities on. [NRED0101]

15 14. The judge ordered that the landlord cannot contract around statutory habitability
16 requirements pursuant to NRS 118A.355; that if there are issues with the property, the landlord has to
17 have disclosed specifically what the unit was lacking; that it was problematic that tenant did not have hot
18 water; and that partial rent for July was appropriate due to no hot water. The hearing was continued until
19 the repairs were completed, and the tenant was told to continue to pay rent to the court. [*Id.*]

20 15. On August 23, 2022, the Division completed its investigation and issued a Notice of
21 Violation and Administrative Fine wherein the Division assessed RESPONDENT with an administrative
22 fine of \$500 for violations of NRS 645.633(1)(h). The fine was to be paid by September 21, 2022.
23 [NRED0135-0139]

24 16. The violations of NRS 645.633(1)(h) were based upon evidence that RESPONDENT (1)
25 failed to provide a habitable unit with hot water for the tenant at 5495 Everglade St., Las Vegas, NV
26 89142 for approximately 5 months and (2) failed to follow the Property Management Agreement as
27 written, by not providing Natural Gas for the tenant at the time the property was marketed for lease. [*Id.*]
28

1 17. RESPONDENT, by his attorney, appealed the Notice of Violation to the Commission on
2 August 30, 2022. [NRED0142-0143]

3 18. On September 6, 2022, the Division indicated that it completed its investigation and
4 issued an NRS 233B letter to RESPONDENT, stating that it has obtained sufficient evidence to
5 commence disciplinary charges against him and that it would seek a formal hearing before the Real Estate
6 Commission. [NRED0144-0145]

7 VIOLATIONS OF LAW

8 RESPONDENT has committed the following violations of law:

9 19. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(1) on three (3)
10 separate occasions by failing to do his utmost to protect the public against fraud, misrepresentation or
11 unethical practices related to real estate when he:

- 12 a. failed to provide a habitable unit, pursuant to NRS 118A.290, with an operational
13 hot water heater for his tenant at 5495 Everglade St., Las Vegas, NV 89142 for
14 approximately 5 (five) months;
- 15 b. failed to follow his Property Management Agreement as written, in that he did not
16 execute contracts for utilities and services to ensure that Natural Gas would be
17 available for the tenant at the time the 5495 Everglade property was marketed for
18 lease; and
- 19 c. failed to provide a habitable unit, pursuant to NRS 118A.290, by ensuring that all
20 electrical outlets, wiring and electrical equipment were maintained in good
21 working order at the 5495 Everglade property at the time it was leased.

22 DISCIPLINE AUTHORIZED

23 Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an
24 administrative fine of up to \$10,000 per violation against RESPONDENT and, further, to suspend, revoke
25 or place conditions on the license of RESPONDENT.

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

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

3 **NOTICE OF HEARING**

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

7 **THE HEARING WILL TAKE PLACE on August 22, 2023, commencing at 9:00 a.m., or as**
8 **soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing**
9 **at 9:00 a.m. through August 24, 2023, or earlier if the business of the Commission is concluded.**
10 **The Commission meeting will be held on August 22, 2023, at the Nevada Division of Insurance,**
11 **1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, with video conference to Nevada**
12 **State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada**
13 **89102. The meeting will continue on each day thereafter commencing at 9:00 a.m. through August**
14 **24, 2023 until the business of the Commission is concluded.**

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

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


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

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

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

15 DATED this 19 day of JULY, 2023.

16 State of Nevada
17 Department of Business and Industry
18 Real Estate Division

19 By: 
20 SHARATH CHANDRA, Administrator
21 3300 West Sahara Avenue, Suite 350
22 Las Vegas, Nevada 89102

23 AARON D. FORD
24 Attorney General

25 By: /s/ Phil W. Su
26 PHIL W. SU (Bar No. 15300)
27 Senior Deputy Attorney General
28 555 E. Washington Ave. #3900
Las Vegas, Nevada 89101
(702) 486-3655
Attorneys for Real Estate Division