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BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

vs.

RONALD M. POWELL,

Respondent.

Case No. 2020-401

**STIPULATION AND ORDER
FOR SETTLEMENT
OF DISCIPLINARY ACTION**

This Stipulation for Settlement of Disciplinary Action (“Stipulation”) is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division (“Division”), through its Administrator Sharath Chandra (“Petitioner”), by and through their attorney of record, Louis V. Csoka, Senior Deputy Attorney General, and Ronald M. Powell (“RESPONDENT”), by and through his attorney of record, Steven Mack with the law firm of Gibbs, Giden, Locher, Turner, Senet & Widtbrott, LLP.

RESPONDENT, at all relevant times mentioned in this Complaint, held himself out and acted as a person licensed under NRS Chapter 645, including being previously licensed as an Appraiser under license number A.0206349-CR, 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 SET FORTH IN COMPLAINT

1. RESPONDENT, along with Paul M. Wynn (“WYNN”), who is a named “respondent” in a related Complaint before this Commission (Case No. 2019-1122), devised a purported real property assignment scheme whereby they have, in effect, acted as “marketing intermediaries” between an actual bona fide buyer and an actual bona fide seller, pocketing a windfall in a matter of days from their roles as such intermediaries and selling a substantially defective residential property in that process without the requisite disclosures of its defects or of the true nature of the transaction.

1 2. Since February 3, 2017, Joy Haines (“Seller”) was the owner of the real
2 property located at 6255 Bryce Canyon Avenue, Las Vegas, Nevada 89156 (the “Property”).

3 3. Sometime thereafter, Seller marketed the Property as a “For Sale By Owner.”

4 4. On or about July 8, 2017, Seller executed as Residential Purchase Agreement
5 for the Property (the “Purported Purchase Agreement”) with RKA Investment Properties,
6 LLC (“RKA”) for the total purchase price of \$ 45,000.00 (the “Purchase Price”).

7 5. At all relevant times, RESPONDENT owned and controlled RKA as its
8 managing member.¹

9 6. On or about July 13, 2017, RKA assigned its rights under the Purported
10 Purchase Agreement to Desert Acquisitions, LLC (“Desert”) for an “assignment fee” of \$
11 14,000.00 (which, shortly thereafter,² was reduced to \$ 13,000.00) (the “First Assignment”).

12 7. At all relevant times, WYNN owned and controlled Desert³ as its managing
13 member.

14 8. On or about July 14, 2017, Desert assigned its rights under the Purported
15 Purchase Agreement to Daniel Leon (“Complainant” or the “Buyer”) for an “assignment
16 fee” of \$ 17,000.00 (the “Second Assignment” or the “Actual Bona Fide Sale of the
17 Property”).

18 9. Unlike WYNN or the RESPONDENT, the Buyer intended to complete and did
19 complete the purchase and sale of the Property, by going through the requisite escrow and
20 recordation process, wherein the Property was ultimately recorded in Buyer’s name.

21 10. Therefore, as a practical matter, it took only about six (6) days, following the
22 execution of the Purported Purchase Agreement, that the Actual Bona Fide Sale of the
23 Property had then occurred.

24 11. However, to now complete his purchase of the Property, the Buyer had to pay
25 **\$ 75,000.00** as follows:

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28 ¹ Since these events, RESPONDENT has sold RKA.

² On or about August 1, 2017.

³ An affiliate/franchisee of HomeVestors.

1 (1) the Purchase Price of \$ 45,000.00 to the Seller for the Property, pursuant to
2 the Purported Purchase Agreement;

3 (2) RKA's assignment fee of \$ 13,000.00 to RKA, under the First Assignment;
4 and

5 (3) Desert's assignment fee of \$ 17,000.00 to Desert, under the Second Assignment.

6 12. In short, in less than one week, RESPONDENT and WYNN, through RKA
7 and Desert, have "arbitraged" \$ 30,000.00 in "assignment fees" from a property that
8 RESPONDENT and WYNN did not plan to own whatsoever but had instead planned to
9 market and sell, while the Seller still remained the title owner of the Property.

10 13. Once Seller understood the true nature of the transaction, she exclaimed "I
11 got screwed!" by RESPONDENT and that she was not aware of any assignments
12 whatsoever.

13 14. Once Buyer/Complainant understood the true nature of the transactions, he
14 explained that WYNN and his agents did not disclose or explain to Buyer that the Property
15 was not marketed and sold for \$75,000.00, but that Buyer, in substantial part, would be
16 paying for RKA's and Desert's "assignment fees" instead.

17 15. Even more importantly, RESPONDENT, as well as WYNN and his agents,⁴
18 failed to disclose the defect with the Property, specifically, that there was no proper title to
19 the mobile home on the Property, as the Mobile Home had not been legally affixed to the
20 Property.

21 16. Indeed, RESPONDENT and WYNN knew that the improperly affixed mobile
22 home would present a problem during the escrow process, whereby WYNN requested of the
23 Title Company⁵ that (1) the Title Company process reflect the land value at \$ 45,000.000
24 and the mobile home value at \$ 0.00, and (2) the transfer of that mobile home should only
25 occur outside the Title Company's escrow process.

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28 ⁴ Pedro Gongola and Jeff Lysen assisted WYNN on the transaction.

⁵ Ticor Title Company.

1 17. In sharp contrast to their careful and planned statements to the Title
2 Company, WYNN and his agents specifically represented to Buyer that he was purchasing
3 both the mobile home and the land with marketable title.

4 **VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

5 1. RESPONDENT violated NRS 645.230(a) as he acted as a real estate
6 Broker/Salesperson without an appropriate license when he entered into the assignment
7 scheme with Wynn to sell, and received compensation for his role in the sale of, the
8 substantially defective Property.

9 **SETTLEMENT**

10 By entering into this settlement agreement, the RESPONDENT neither admits nor
11 denies the allegations above. In an effort to avoid the time and expense of litigating these
12 issues before the Commission, the parties desire to compromise and settle the instant
13 controversy upon the following terms and conditions:

14 1. It is the intent of the parties that, to all reasonable extent, RESPONDENT
15 assist Complainant in obtaining a marketable title to the motor home currently affixed to
16 the Property (the "Motor Home Titling Process"), and as to the same:

17 A. RESPONDENT had already cooperated in the Motor Home Titling Process,
18 with the Division and Complainant; and

19 B. RESPONDENT further agrees to continue to cooperate in the Motor Home
20 Titling Process in the same manner, if any further administrative requirements or costs
21 may still arise as to the same, provided that RESPONDENT:

22 (i) would have been required to do so had RESPONDENT acted as a direct real
23 property seller of the Property to Complainant, as of the time of the Second Assignment,
24 and

25 (ii) expressly committed to provide Complainant with a marketable title to the
26 motor home affixed to the Property, at that time.

27 By way of example, but without any limitations on any of the foregoing, costs, fees,
28 and taxes that are normally allocated to time periods after the Second Assignment (i.e.,

1 past July 14, 2017) are not, as they would not have been, RESPONDENT's responsibility
2 under this Stipulation.

3 Further, it is the intent of the parties hereto that no other party, including
4 Complainant, may claim to be third party beneficiary under this Stipulation nor have any
5 standing whatsoever to bring suit hereunder. Without any limitations on Section 10 of this
6 Stipulation, the Division may not utilize the associated Complaint or the factual allegations
7 therein against RESPONDENT in any future proceedings brought by the Division.

8 2. In specific reliance on RESPONDENT's stated commitments to Complainant's
9 Motor Home Titling Process, in Sections 1(A) and 1(B) of this Stipulation above, the
10 Division shall not require RESPONDENT to pay any (1) fines, (2) pre-hearing costs, or (3)
11 attorneys' fees that would otherwise be payable to the Division.

12 3. RESPONDENT and the Division agree that by entering this Stipulation, the
13 Division does not concede any defense or mitigation RESPONDENT may assert and that
14 once this Stipulation is approved and fully performed, the Division will close its file in this
15 matter.

16 4. RESPONDENT agrees and understands that by entering into this
17 Stipulation, RESPONDENT is waiving her right to a hearing at which RESPONDENT
18 may present evidence in her defense, her right to a written decision on the merits of the
19 complaint, her rights to reconsideration and/or rehearing, appeal and/or judicial review,
20 and all other rights which may be accorded by the Nevada Administrative Procedure Act,
21 the Nevada Real Estate Brokers and Salespersons statutes and accompanying regulations,
22 and the federal and state Constitutions. RESPONDENT understands that this Agreement
23 and other documentation may be subject to public records laws. The Commission members
24 who review this matter for approval of this Stipulation may be the same members who
25 ultimately hear, consider, and decide the Complaint if this Stipulation is either not
26 approved by the Commission or is not timely performed by RESPONDENT.
27 RESPONDENT fully understands that she has the right to be represented by legal counsel
28 in this matter at her own expense.

1 5. Each party shall bear their own attorney's fees and costs, except as provided
2 above.

3 6. Approval of Stipulation. Once executed, this Stipulation will be filed with the
4 Commission and will be placed on the agenda for approval at its next public meeting. The
5 Division will recommend to the Commission approval of the Stipulation. RESPONDENT
6 agrees that the Commission may approve, reject, or suggest amendments to this
7 Stipulation that must be accepted or rejected by RESPONDENT before any amendment is
8 effective.

9 7. Withdrawal of Stipulation. If the Commission rejects this Stipulation or
10 suggests amendments unacceptable to RESPONDENT, RESPONDENT may withdraw
11 from this Stipulation, and the Division may pursue its Complaint before the Commission.
12 This Stipulation then shall become null and void and unenforceable in any manner against
13 either party.

14 8. Release. In consideration of the execution of this Stipulation,
15 RESPONDENT for herself, her heirs, executors, administrators, successors, and assigns,
16 hereby releases, remises, and forever discharges the State of Nevada, the Department of
17 Business and Industry, and the Division, and each of their respective members, agents,
18 employees, and counsel in their individual and representative capacities, from any and all
19 manner of actions, causes of action, suits, debts, judgments, executions, claims, and
20 demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever
21 had, now has, may have, or claim to have against any or all of the persons or entities named
22 in this section, arising out of or by reason of the Division's investigation, this disciplinary
23 action, and all other matters relating thereto.

24 9. Indemnification. RESPONDENT hereby agrees to indemnify and hold
25 harmless the State of Nevada, the Department of Business and Industry, Petitioner, the
26 Division, and each of their respective members, agents, employees, and counsel, in their
27 individual and representative capacities, against any and all claims, suits, and actions
28 brought against said persons and/or entities by reason of the Division's investigation, this

1 disciplinary action, and all other matters relating thereto, and against any and all
2 expenses, damages, and costs, including court costs and attorney fees, which may be
3 sustained by the persons and/or entities named in this section as a result of said claims,
4 suits, and actions.

5 10. Default. In the event of default under this Stipulation, RESPONDENT
6 agrees that Section 2 of this Stipulation may be set aside and the Division may assess
7 RESPONDENT all of the Division's fines, costs, and fees that would have been required to
8 be paid, in the event of a full conviction in this matter.

9 11. RESPONDENT has signed and dated this Stipulation only after reading and
10 understanding all terms herein.

11 DATED this ____ day of September, 2023 DATED this 27 day of September, 2023

13 NEVADA DEPARTMENT OF BUSINESS
& INDUSTRY, REAL ESTATE DIVISION

14
15 By: Ronald M Powell
16 RONALD M. POWELL
An individual

14
15 By: Sharath Chandra
16 SHARATH CHANDRA
Administrator

17 APPROVED AS TO FORM:

18 GIBBS, GIDEN, LOCHER, TURNER,
19 SENET & WIDTBROTT, LLP

AARON D. FORD
Attorney General

20
21 By: Steven Mack

21 By: Louis V. Csoka

22 Steven Mack, Esq.
23 Senior Counsel
24 7251 W. Lake Mead Blvd., Suite 450
Las Vegas, NV 89128
Attorneys for Respondent

Louis V. Csoka (Bar. No. 7667)
Senior Deputy Attorney General
555 E. Washington Avenue, Suite 3900
Las Vegas, NV 89101
Attorneys for Real Estate Division

ORDER

IT IS ORDERED that the foregoing Stipulation and Order for Settlement of Disciplinary Action, submitted by Petitioner and Respondent, is approved in full.

Dated: November ____, 2023.

REAL ESTATE COMMISSION
STATE OF NEVADA

By: _____
President, Nevada Real Estate Commission

Submitted by:

AARON FORD, Attorney General

By:

/s/ Louis V. Csoka

Louis V. Csoka (7667)
Senior Deputy Attorney General
555 E. Washington Ave. Ste 3900
Las Vegas, Nevada 89101
Attorneys for Real Estate Division