

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2022-539

Petitioner,

FILED

vs.

JUL 20 2023

Cung F. Tam, AKA Karen Tam,

REAL ESTATE COMMISSION

BY Kerry 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 CUNG F. TAM, AKA KAREN TAM (“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 CUNG F. TAM, AKA KAREN TAM, has been licensed as a Nevada real estate broker under license number B.0016381.LLC and has held a property management permit PM.0145123.BKR 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, Cung F. Tam, AKA Karen Tam (“RESPONDENT”) was licensed as a Nevada real estate broker under license number B.0016381.LLC and has held a property management permit PM.0145123.BKR. [NRED0001-0002]

1 2. On August 01, 2022, COMPLAINANT Yin-Jia Rose Gong (“COMPLAINANT”)
2 provided the Division with a signed Statement of Fact and supporting documents alleging that
3 RESPONDENT failed to provide COMPLAINANT with monthly statements or owner distributions for
4 three properties:

- 5 • 9909 Iron Cactus Ave., Las Vegas, NV 89148 (“Iron Cactus”);
- 6 • 4423 Peaceful Harbor Street, Las Vegas, NV 89129 (“Peaceful Harbor”); and
- 7 • 6183 Carson Hills Ave., Las Vegas, NV 89139 (“Carson Hills”).

8 **[NRED0003-0005]**

9 3. The three properties had been under RESPONDENT’S management since
10 RESPONDENT was retained by the prior owner, from whom COMPLAINANT inherited the properties.

11 **[NRED0005]**

12 4. While under RESPONDENT’S management, she allowed landscaping violations and late
13 fees to accrue on 9099 Iron Cactus’ association ledger from September 3, 2020 through April 1, 2022
14 totaling a balance of \$7,670.00. **[NRED0008-0010]**

15 5. As a result of the accrued balance owed on 9099 Iron Cactus, a Notice of Default and
16 Election to Sell Real Property to Satisfy Notice of Delinquent Assessment was served upon
17 COMPLAINANT on March 17, 2022. **[NRED0012-0017]**

18 6. On April 13, 2022, COMPLAINANT terminated RESPONDENT’S property
19 management services for the three properties and requested RESPONDENT turn over all management
20 and tenant documents to the new property manager, Americana Property Management. **[NRED0005;**
21 **0019-0032]**

22 7. As of the date of the COMPLAINANT’S complaint/statement of fact, RESPONDENT
23 still has not provided the new management company with the ledgers for 2022. **[NRED0005; 0019-0032]**

24 8. Based on review of receipts for payment of first month’s rent and security deposit from
25 the tenant for 9099 Iron Cactus paid in March 2022, those funds should have been transferred to
26 Americana Property Management after the April 13, 2022 termination, but were not. **[NRED0005; 0034-**
27 **0035]**

1 9. COMPLAINANT further alleged that on or about October 2021, \$6,300.00 was paid from
2 9099 Iron Cactus' management account to pay for repairs performed by AWG Handyman without her
3 prior approval, and that the alleged repairs were not actually performed. [NRED0005]

4 10. From February 25, 2022 through March 2, 2022, RESPONDENT repeatedly failed to
5 respond to initial and follow-up information requests from CARES Housing Assistance Program for
6 Clark County ("CHAP") on behalf of tenant Shauntonia Carroll for 4423 Peaceful Harbor, which
7 prevented the prospective tenant from obtaining rental assistance on the unit. [NRED0040-0049]

8 11. On June 26, 2022, RESPONDENT initiated eviction proceedings against Ms. Carroll
9 while her CHAP application remained pending, in violation of the law and causing COMPLAINANT to
10 incur additional costs and to have to participate in eviction mediation. [NRED0006]

11 12. On August 3, 2022, the Division informed RESPONDENT that it was opening an
12 investigation against her based upon the receipt of the complaint/statement of fact and requested
13 documents in her possession related to these matters, as well as a signed, notarized affidavit with her
14 response to the allegations, by August 15, 2022. [NRED0051-0052]

15 13. A follow-up request was issued on September 26, 2022, asking for production of the
16 response and documentation within ten (10) days of the letter. [NRED0053-0054]

17 14. The RESPONDENT did not provide any response to these requests from the Division
18 Investigator.

19 15. On October 12, 2022, the Division completed its investigation and issued an NRS 233B
20 letter to RESPONDENT, wherein it determined that it obtained sufficient evidence to commence
21 disciplinary charges against her and to seek a formal hearing before the Real Estate Commission.
22 [NRED0058-0059]

23 VIOLATIONS OF LAW

24 RESPONDENT has committed the following violations of law:

25 16. RESPONDENT violated NRS 645.633(1)(h) pursuant to NRS 645.252(2) on three (3)
26 occasions by failing to exercise reasonable skill and care in the management of the aforementioned three
27 properties under RESPONDENT'S management, in that RESPONDENT did not timely respond to
28 requests for information or financial statements from the property owner.

1 **The Commission meeting will be held on August 22, 2023, at the Nevada Division of Insurance,**
2 **1818 E. College Parkway, Suite 103, Carson City Nevada 89706, with video conference to Nevada**
3 **State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada**
4 **89102. The meeting will continue on each day thereafter commencing at 9:00 a.m. through August**
5 **24, 2023 until the business of the Commission is concluded.**

6 **STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same**
7 **time as part of a regular meeting of the Commission that is expected to last from August 22, 2023**
8 **through August 24, 2023, or earlier if the business of the Commission is concluded. Thus, your**
9 **hearing may be continued until later in the day or from day to day. It is your responsibility to be**
10 **present when your case is called. If you are not present when your hearing is called, a default may**
11 **be entered against you and the Commission may decide the case as if all allegations in the complaint**
12 **were true. If you have any questions please call Kelly Valadez, Commission Coordinator (702)**
13 **486-4606.**

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

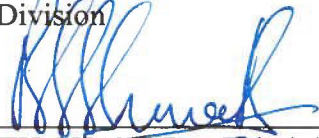
19 As the Respondent, you are specifically informed that you have the right to appear and be heard in your
20 defense, either personally or through your counsel of choice. At the hearing, the Division has the burden
21 of proving the allegations in the complaint and will call witnesses and present evidence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

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

1 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC
2 645 and if the allegations contained herein are substantially proven by the evidence presented and
3 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
4 pursuant to NRS 645.235, 645.633 and or 645.630.

5 DATED this 19 day of July, 2023.

6 State of Nevada
7 Department of Business and Industry
8 Real Estate Division

9 By: 
10 SHARATH CHANDRA, Administrator
11 3300 West Sahara Avenue, Suite 350
12 Las Vegas, Nevada 89102

13 AARON D. FORD
14 Attorney General

15 By: /s/ Phil W. Su
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