

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

vs.

ADRIAN SANCHEZ,
S.0190586 (Expired),

Respondent.

Case No. 2022-601

FILED

MAY 30 2024

REAL ESTATE COMMISSION

BY

Kelly Valadez

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

This matter came on for hearing before the REAL ESTATE COMMISSION OF THE STATE OF NEVADA (the "Commission") on Thursday, May 16, 2024 (the "Hearing"). RESPONDENT ADRIAN SANCHEZ ("RESPONDENT") did not appear in person, through counsel, or otherwise. Phil W. Su, Deputy Attorney General, appeared on behalf of Petitioners SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA ("Division").

Mr. Su advised the Commission that the RESPONDENT did not provide an answer to the properly filed Complaint and his license is currently in expired status. Thereafter, the Division proceeded with a default pursuant to NAC 645.810(13). The Division's Section Coordinator, Kelly Valadez, testified that proper service via certified mail was given to the RESPONDENT. After further discussion, the Commission found that the Division issued effective notice of the hearing, the Complaint and notice thereof, the Notice of Documents with documents bates stamped NRED 0001-0069, and took all efforts required by law to inform the RESPONDENT of the matter before the Commission. The Commissioners also admitted the Division's documents NRED 0001-0069 as exhibits to the proceedings. The Commissioners also heard testimony from Complainant Carl Sullenger and his wife, Francesca Sullenger, and from Respondent's broker, Matthew Kalb.

Therefore, the Commission, having considered the evidence introduced by the Division and being fully advised, enters the following Findings of Fact, Conclusions of Law, and Order:

JURISDICTION

RESPONDENT, at all relevant times pertinent to the violations in this Complaint, was actively licensed as a Salesperson (S.0190586).¹ RESPONDENT 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

The Commissioners find that the following factual allegations have been proved by default:

1. RESPONDENT was associated as a salesperson with Commercial & Residential Investment Realty from November 22, 2021, to August 29, 2022. [NRED0002].

2. On January 24, 2022, RESPONDENT provided Complainant Carl Sullenger ("Complainant") with a signed duties owed form and buyer brokerage agreement to represent Complainant in the search for, and purchase of, a new residence. [NRED0030-0033; 0055; 0063].

3. In February 2022, the RESPONDENT induced Complainant to wire \$205,000.00 to RESPONDENT'S personal business, Brand Global Enterprise, to purportedly qualify Complainant for a \$800,000.00 short-sale of a multi-million dollar home at 54 Innisbrook Ave., Las Vegas, Nevada. [NRED0009-0010; 0019; 0027; 0039].

4. Complainant subsequently discovered, on or about May 2022, that the Innisbrook property had been sold to another buyer and requested repayment of the \$205,000.00 wired to Brand Global Enterprise. [NRED0015; 0017-0018; 0043].

5. In a follow-up email exchange with Complainant on July 2022, RESPONDENT continued to maintain that the Innisbrook property was available as a short-sale opportunity. [NRED0022].

6. In a subsequent July 15, 2022, email, RESPONDENT indicated that he had "reached out to court administrator [sic] about you canceling your interest in the deal" and that "those funds should be sent back to you on or before 8/30/2022. [NRED0037].

¹ Respondent's salesperson license expired on August 31, 2023.

1 7. RESPONDENT did not return the funds to Complainant by the 8/30/2022 date indicated
2 in his email. [NRED0008-0011].

3 8. On August 22, 2022, the Division received a Statement of Fact from Complainant, setting
4 forth the above allegations regarding the \$205,000.00 wire to RESPONDENT'S personal company and
5 RESPONDENT'S failure to return the funds when requested. [NRED0008-0011].

6 9. On August 23, 2023, the Division issued an open investigation letter to RESPONDENT
7 regarding the Statement of Fact and requested his response via affidavit. [NRED0051].

8 10. That same day, the Division issued an open investigation letter to RESPONDENT'S
9 broker of record at Commercial & Residential Investment Realty, Matthew Kalb. [NRED0052].

10 11. On September 8, 2022, Broker Kalb submitted an affidavit stating that:

11 a. On August 29, 2022, Kalb was contacted by the RESPONDENT, "who indicated
12 that he had just spent six days in the hospital undergoing tests and needed to immediately resign from
13 Broker's brokerage due to medical reasons. The Respondent added that he was moving back home for
14 treatment."

15 b. Kalb told the RESPONDENT that he was sorry to hear this and then asked if the
16 RESPONDENT was working on any real estate deals to which he responded, "not at all."

17 c. Per Kalb, "Respondent stated that he needed to be terminated right away, wanting
18 to pick up his license as quickly as possible and hand carry it to the Division."

19 d. The very next day, Tuesday, August 30, 2022, the Broker received the Division's
20 complaint, "for which I thought the timing was rather coincidental, given Mr. Sanchez's sudden departure
21 from my firm the day prior."

22 [NRED0053-0056].

23 12. In his affidavit, Broker Kalb noted that he also reached out to RESPONDENT for
24 additional information to help him prepare his affidavit, to which RESPONDENT stated: "My attorney,
25 is addressing all of his (Complainant) allegations which several are completely inaccurate. Additionally,
26 I advised him that I wasn't going to represent him anymore (2/15/2022) as I felt it was a conflict of interest
27 based on our other business relationships. This has become a civil matter which my attorney is
28 addressing. [NRED0057].

13. On September 20, 2022, RESPONDENT submitted his affidavit, wherein he:

a. Denied "any such claim that the \$205,000.00 was for any real estate transaction.

Mr. Sullenger may have misunderstood information that was provided not as his real estate agent [sic] about a subject property there was never any actual documentation supplied to the Sullengers that would indicate any negotiations." [NRED0061]

b. Contended that "all of the claims and supporting information to the division are all civil issue that have nothing to do with the Real Estate Division." [NRED0063].

14. On September 22, 2023, the Division mailed an NRS 233B letter via certified mail to RESPONDENT's then-current address of record, stating the Division's intent to file a complaint with the Commission for violations of NRS 645.633(1)(i) pursuant to NAC 645.605(1). [NRED0065-0066].

15. On November 7, 2023, the Division mailed a second NRS 233B letter via certified mail to RESPONDENT's then-current address of record. [NRED0067-0068].

VIOLATIONS OF LAW

The Commissioners find that based upon a preponderance of the evidence, the following violations of law have been proved by default:

1. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(1) by engaging in deceitful, fraudulent and dishonest dealing by inducing the Complainant to wire transfer \$205,000.00 into Respondent's personal business account for the subject real estate transaction.

2. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(1) by engaging in deceitful, fraudulent and dishonest dealing by misleading Complainant to believe that the subject property was still available even after the Complainant indicated his belief that the property had already been sold to another buyer.

3. RESPONDENT violated NRS 645.633(1)(i) pursuant to NAC 645.605(1) by engaging in deceitful, fraudulent and dishonest dealing by failing to return the \$205,000.00 in wired funds for the failed real estate transaction.

4. RESPONDENT violated NRS 645.630(1)(i) pursuant to NRS 645.310(2) by accepting the \$205,000.00 wire transfer of fund for a real estate transaction and failing to promptly deposit the funds with his broker.

ORDER (2022-601)

The Commission, being fully apprised of the premises and good cause appearing, hereby

ORDERS:

1. Respondent Adrian Sanchez's license (License No. S.0190586) is hereby revoked;

2. Respondent shall pay to the Division administrative fines totaling Forty Thousand Dollars (\$40,000.00);

3. Respondent shall pay pre-hearing costs and fees in the amount of Six Thousand Four Hundred Eighty-One Dollars and 69/100 cents (\$6,481.69), which are actual, reasonable, and necessary;

4. The total amount of Forty-Six Thousand Four Hundred Eighty One Dollars and 69/100 cents (\$46,481.69), is to be paid in full within three (3) months of the effective date of this Order;

5. If the payment is not actually received by the Division on or before its due date, it shall be construed as an event of default by Respondent. In the event of default, the unpaid balance of the costs and fees, together with any attorney's fees and costs that may have been assessed, shall be due in full to the Division within ten (10) calendar days of the date of default. The Division may institute debt collection proceedings for failure to timely pay the total fine; and

6. The Commission retains jurisdiction for correcting any errors that may have occurred in the drafting and issuance of this document.

DATED this 30 day of May, 2024.

NEVADA REAL ESTATE COMMISSION

By:


President, Lee Rix Gurr
Nevada Real Estate Commission

Submitted by:

By: /s/ Phil W. Su
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