

BEFORE THE REAL ESTATE COMMISSION  
STATE OF NEVADA

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

Case No. 2021-1217

Petitioner,

vs.

MICHAEL SLOANE,  
S.0177565

Respondent.

**FILED**

FEB 27 2024

REAL ESTATE COMMISSION

BY Kelley Valadez

**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, Phil W. Su, Esq., and RESPONDENT MICHAEL SLOANE, ("RESPONDENT").

RESPONDENT Michael Sloane was licensed as a Nevada real estate salesperson (S.0177565) 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.

**SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN COMPLAINT**

1. At all relevant times mentioned in this Complaint, Michael Sloane ("RESPONDENT") was licensed as a Nevada real estate salesperson under license number S.0177565.

2. RESPONDENT'S license expired on August 31, 2022 and was not renewed.

3. At all relevant times mentioned in this Complaint, RESPONDENT'S broker of record was COMPLAINANT Nicole Lazarski, a Nevada real estate broker under license number B.1001821.CORP.

4. RESPONDENT'S most recent broker of record was Damon Caldwell, a Nevada real estate broker under license number B.0143673.CORP.

5. On December 20, 2021, COMPLAINANT Nicole Lazarski ("COMPLAINANT" or "Lazarski") provided the Division with a signed Statement of Fact and supporting documents alleging

1 that RESPONDENT, while working under Lazarski's supervision as a Redfin sales agent, requested from  
2 his assigned clients that they issue direct payments to RESPONDENT via wire transfer/Western Union  
3 to cover incidental expenses and/or to provide incentivizing funds directly to listing agents.

4 6. COMPLAINANT further noted in her complaint/statement of fact that Redfin covers its  
5 agents' general expenses; that on the rare occasion that Redfin does receive a commission or outside  
6 funds, those funds are to go directly to an escrow company; and that, as a result, "[a] Redfin agent should  
7 never seek direct payment of funds from a customer for any real estate activity."

8 **Frank and Sheila Modrejewski**

9 7. Upon being assigned to assist Frank and Sheila Modrejewski ("the Modrejewskis") in  
10 identifying and pursuing a property for purchase, RESPONDENT asked the Modrejewskis to wire him  
11 \$1,500.00, which he characterized as a 'fully refundable servicing fee at close of escrow for inspections,  
12 gas, and any other incidentals.'

13 8. The Modrejewskis agreed to wire RESPONDENT the \$1,500.00 via Western Union, and  
14 subsequently did so.

15 9. On August 10, 2021, RESPONDENT drafted and submitted a residential purchase  
16 agreement on behalf of the Modrejewskis for the property at 5277 Crooked Valley Drive, Las Vegas, NV  
17 89149, which stated that the seller needed to respond by 5:00 p.m. on August 11, 2021 or the offer would  
18 lapse. ("5277 Crooked Valley Dr")

19 10. On August 12, 2021, (after already submitting an offer on behalf of the Modrejewskis)  
20 RESPONDENT obtained a signed Duties Owed form from Frank Modrejewski.

21 **Olexa and Vitalie Stavila**

22 11. Upon being assigned to assist Olexa and Frank Stavila ("the Stavilas") in identifying and  
23 pursuing a property for purchase, RESPONDENT asked the Stavilas to wire him \$2,500.00, which he  
24 characterized as a 'fully refundable servicing fee at close of escrow for inspections, gas, and any other  
25 incidentals.'

26 12. On or about July 22, 2021, the Stavilas wired RESPONDENT the \$2,500.00 via Western  
27 Union.  
28

1           13.     On July 28, 2021, the day after RESPONDENT submitted a \$215,000.00 offer on behalf  
2 of the Stavilas for an unidentified residential property, Vitalie Stavila emailed RESPONDENT at 4:38  
3 p.m. asking “for the escrow, is there a reason we are not depositing a check?”

4           14.     On July 29, 2021, at 8:22 a.m., the Stavilas emailed RESPONDENT to convey their  
5 willingness to give the seller a credit for \$2,500.00 per his suggestion, but that they were “not fully  
6 comfortable with the cash transactions [sic],” that they had already transferred \$2,500.00 in cash, and  
7 that that they would provide the additional \$2,500.00 for seller’s credit in the form of a personal check.

8           **Hitesh Kanani**

9           15.     On or about August 6, 2021, RESPONDENT conducted a property tour of 2808 Mellow  
10 Breeze St, Las Vegas, NV (“2808 Mellow Breeze St.”) with assigned client Hitesh Kanani.

11           16.     Via text chain later that day, RESPONDENT suggested that Kanani add \$3,000.00 in cash  
12 to give to seller on top of the seller’s \$565,000.00 asking price to make the offer more competitive.

13           17.     Per Kanani, RESPONDENT assured him that if the offer was not ultimately accepted, the  
14 \$3,000.00 would be returned to Kanani.

15           18.     On August 7, 2021, RESPONDENT personally picked up the \$3,000.00 from Kanani at  
16 Kanani’s residence and, later that afternoon, signed offer papers for 2808 Mellow Breeze St.

17           19.     Kanani’s offer was ultimately rejected by the sellers of 2808 Mellow Breeze St., and when  
18 Kanani asked RESPONDENT to return the \$3,000.00, RESPONDENT claimed that the money was  
19 deposited into an escrow account and that he would need a few days to withdraw it. As of December 3,  
20 2021, the funds had not been returned to Kanani.

21           **RESPONDENT’S RESPONSE**

22           20.     On December 27, 2021, the Division informed RESPONDENT that it was opening an  
23 investigation against him based upon the receipt of the complaint/statement of fact, and requested from  
24 him any documents in his possession related to these matters, as well as a signed, notarized affidavit with  
25 his response to the allegations, by January 11, 2022.

26           21.     Also on December 27, 2021, the Division informed RESPONDENT’S then-current  
27 broker, Damon Caldwell, that it was opening an investigation against RESPONDENT based upon the  
28

1 receipt of the complaint/statement of fact, and notified Caldwell of his obligation to appear at any  
2 subsequent disciplinary hearing against RESPONDENT, pursuant to NAC 645.855.

3 22. On or about January 18, 2022, RESPONDENT provided the Division with his responsive  
4 affidavit.

5 23. RESPONDENT conceded that the factual events occurred but contends that his actions  
6 were based upon a misunderstanding: he thought he was given leads by Redfin to establish his own  
7 personal clients, when in fact he was a Redfin employee, and those clients were clients of the Redfin  
8 corporation.

9 24. RESPONDENT stated that because the Modrejewskis and Stavilas were out-of-state  
10 buyers, he proposed that they wire funds directly to him to "streamline the process" at close of escrow  
11 for inspection, gas, and any other incidentals, to ensure that they had the best chance to secure a deal in  
12 a competitive real estate market.

13 25. RESPONDENT states that after his employment was terminated by Redfin, he reached  
14 out to the Modrejewskis and Stavilas to advise them of his termination and, because they remained as  
15 Redfin clients, for him to arrange for the return of the wired funds to those parties.

16 26. RESPONDENT claims he ultimately did return the wired funds to the Modrejewskis and  
17 Stavilas.

18 27. Lastly, RESPONDENT, in his affidavit to the Division, requested permission to contact  
19 Hitesh to set up a payment plan for return of the \$3,000.00 servicing fee that Hitesh paid to  
20 RESPONDENT.

21 28. Out of concern that it could be directly interfering with an active investigation, the  
22 Division did not respond to RESPONDENT'S request for leave to contact Hitesh to set up a payment  
23 plan.

24 29. The Division is presently unable to confirm if RESPONDENT has ever repaid Hitesh  
25 Kanani the \$3,000.00.

26 30. On June 9, 2022, the Division completed its investigation and issued an NRS 233B letter  
27 to RESPONDENT, wherein it determined that it obtained sufficient evidence to commence disciplinary  
28 charges against him and to seek a formal hearing before the Real Estate Commission.

[illegible]

32. RESPONDENT violated NRS 645.630(1)(f) pursuant to NRS 645.310(2) on three (3) occasions when he failed to account for or remit to his broker, promptly and/or within a reasonable time, funds that came into his possession and that belonged to others.

## PROPOSED SETTLEMENT

1. RESPONDENT agrees to pay the Division a total amount of Eight Thousand Seven Hundred Fourteen Dollars and 16/100 cents (\$8,714.16) ("Amount Due"), consisting of a \$3,000.00 administrative fine imposed by the Division, the Division's pre-hearing costs and fees in the amount of \$1,160.00, and pre-hearing attorney's fees in the amount of \$4,554.16.

a. The Amount Due shall be payable to the Division in eighteen (18) equal monthly installments of Four Hundred Eighty-Four Dollars and 12/100 cents (\$484.12), with first installment payment to be made within forty-five (45) days of the date the order approving this settlement is signed. Lump sum pre-payments may be made to the Division at any time with no penalty.

1           b.     No grace period is permitted. If any scheduled payment is not actually received by  
2           the Division on or before its due date, the non-payment shall be construed as an event of  
3           default by Respondent.

4           2.     RESPONDENT agrees to voluntarily surrender his license S.0177565 to the Division  
5           within thirty (30) days from the date of the order approving this settlement.

6           3.     RESPONDENT further agrees that he will not re-apply for a salesperson, broker, or  
7           broker-salesperson license with the Division for a period of sixty (60) months from the date of the order  
8           approving this settlement.

9           4.     If RESPONDENT does reapply for a license after the voluntary suspension has elapsed  
10          and after he has met all fee and application requirements required for reissuance of a license,  
11          RESPONDENT further agrees to appear before the Commission for final approval of the reissuance.

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

15          6.     The Division agrees not to pursue any other or greater remedies or fines in connection  
16          with RESPONDENT'S alleged conduct referenced herein. The Division further agrees that unless  
17          RESPONDENT fails to make timely payment, the Division will not bring any claim or cause directly or  
18          indirectly based upon any of the facts, circumstances, or allegations discovered during the Division's  
19          investigation and prosecution of this case.

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

1 timely performed by RESPONDENT. RESPONDENT fully understands that he has the right to be  
2 represented by legal counsel in this matter at his own expense.

3 8. RESPONDENT shall bear his own attorney's fees and costs.

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

9 10. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests  
10 amendments unacceptable to RESPONDENT, RESPONDENT may withdraw from this Stipulation, and  
11 the Division may pursue its Complaint before the Commission.

12 11. Stipulation is Not Evidence. Neither this Stipulation nor any statements made concerning  
13 this Stipulation may be discussed or introduced into evidence at any hearing on the Complaint, if the  
14 Division must ultimately present its case based on the Complaint filed in this matter.

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

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



1 expenses, damages, and costs, including court costs and attorney fees, which may be sustained by the  
2 persons and/or entities named in this section as a result of said claims, suits, and actions.

3 14. Default. In the event of default, RESPONDENT agrees that his active licenses and  
4 permits issued by the Division, if any, shall be immediately suspended, and the unpaid balance of the  
5 administrative fine and costs, together with any attorney's fees and costs that may have been assessed,  
6 shall be due in full to the Division within ten calendar days of the date of default. Debt collection actions  
7 for unpaid monetary assessments in this case may be instituted by the Division or its assignee.  
8 RESPONDENT agrees that the foregoing suspensions shall continue until the unpaid monetary  
9 assessments are paid in full.

10 15. RESPONDENT confirms that he has signed and dated this Stipulation only after  
11 reading and fully understanding all terms herein.

12 DATED this 20 day of February, 2024.

DATED this 20 day of February, 2024.

NEVADA DEPARTMENT OF BUSINESS AND  
INDUSTRY, REAL ESTATE DIVISION

13  
14  
15 By:   
16 MICHAEL SLOANE  
Respondent

By:   
SHARATH CHANDRA  
Administrator

17 Approved as to form:

18 AARON D. FORD  
19 Attorney General

20 By: /s/ Phil W. Su  
21 PHIL W. SU (Bar No. 10450)  
22 Senior Deputy Attorney General  
23 SHANNON CHAO (Level 2 Limited  
24 Practice Certification Pursuant to  
25 SCR 49.3, dated 02/08/2024)  
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