

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2023-313

Petitioner,

FILED

vs.

JUL 11 2024

CODY J. RAYNOHA,
(B.1003009.LLC; formerly S.0172478.LLC),

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 CODY J. RAYNOHA (“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(1)(c) and (1)(i), and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT, at all relevant times pertinent to the violations in this Complaint, was actively licensed as a Salesperson (S.0172478.LLC).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

1. At all times relevant to this Complaint, RESPONDENT Cody J. Raynoha has been a licensed salesperson affiliated with Precision Realty LLC, under the supervision of Broker Enzo D. Varela. [NRED0001-0003].

¹ Subsequent to the time period relevant to this Complaint, RESPONDENT Raynoha obtained a broker license (B.1003009.LLC) and surrendered his salesperson license in favor of the new credential. [NRED0004-0005]

1 2. At all times relevant to this Complaint, Paul Randy Guevarra was not a licensee of the
2 Nevada Real Estate Division. [NRED0006-0011].

3 3. On April 20, 2023, the Division received a Statement of Fact from COMPLAINANT
4 Carey Krumick (“COMPLAINANT”) regarding the potential unauthorized and fraudulent sale of the
5 property at 3314 El Camino Real, Las Vegas, NV 89121 (“the Property”) purportedly without the
6 knowledge of, or participation by, true owner Shirley Fredericks (“Fredericks”), a widow in her 80’s who
7 lives in the United Kingdom. [NRED0013-0014].

8 4. COMPLAINANT states that he has assisted Ms. Fredericks for over two decades in taking
9 care of/maintaining the Property and knew that, at all times relevant to this Complaint, the Property was
10 under renovation, vacant, and boarded up due to issues with squatters and break-ins. [NRED0013-0014].

11 5. While addressing a code enforcement violation in January 2023 for the Property,
12 COMPLAINANT learned that the enforcement officer had been turned away by RESPONDENT, who
13 told the officer the Property had been sold and the new owners would complete clean-up. [NRED0013-
14 0014].

15 6. COMPLAINANT confirmed with Fredericks that she had never sold the Property, and
16 opined that the signature on the new Grant, Bargain, and Sale Deed and Declaration of Value, which
17 indicates that the Property was sold for \$190,000.00 by Fredericks to Alpha Investment Group Inc., did
18 not match signatures for Ms. Fredericks that COMPLAINANT had in his possession. [NRED0013-0014;
19 0015-0019].

20 7. According to an affidavit provided by a solicitor for Fredericks, Fredericks attests that she
21 did not offer the property for sale, never agreed to such a sale, has had no Zoom calls to discuss any such
22 sale, and has not received any funds from the purported sale of the property. [NRED0020-0022].

23 8. On May 23, 2023, a complaint was filed in Eighth District Court regarding the allegedly
24 fraudulent transaction, which is ongoing as of the filing date of this Complaint. [NRED0089-0104].

25 9. On May 1, 2023, the Division issued an open investigation letter to RESPONDENT,
26 regarding the Statement of Fact and requested his response via affidavit. [NRED0041].

27 10. That same day, the Division issued an open investigation letter to RESPONDENT’S
28 broker of record, Enzo D. Varela. [NRED0042].

1 11. On December 5, 2023, the Division issued an open investigation letter to Paul Randy
2 Guevarra, regarding the Statement of Fact and requested his response via affidavit. [NRED0043].

3 12. On May 11, 2023, RESPONDENT submitted a responsive affidavit, indicating that he
4 represented Alpha Investment Group Inc. (“Alpha”) in the execution of an Assignment of Real Estate
5 Purchase and Sale Agreement with Paul Randy Guevarra on behalf of RJR Homes LLC (“RJR”), for the
6 sale of subject property. [NRED0044-0046].

7 13. According to documents provided with RESPONDENT’S affidavit, on or about February
8 2, 2023, RJR executed a Real Estate Purchase and Sale Agreement for the Property (the “Purported
9 Purchase Agreement”) with Fredericks for the total purchase price of \$190,000.00 (the “Purchase Price”).
10 [NRED0044-0046; 0047-0051].

11 14. The following day, February 3, 2023, RJR assigned its rights under the Purported
12 Purchase Agreement to Alpha Investment Group, Inc. “in consideration of the sum of \$25,000.00” (the
13 “Assignment”), for a total of \$215,000.00, payable at the closing date of February 9, 2023. [NRED0052-
14 0053].

15 15. In summary, within six days Guevarra earned \$25,000.00 from the purchase and
16 subsequent assignment of the Property, which RJR/Guevarra immediately resold to a pre-arranged buyer,
17 Alpha Investment Group, Inc., represented by RESPONDENT.

18 16. RJR/Guevarra never recorded any ownership interest of its own in the Property.
19 [NRED0039-0040].

20 17. On February 7, 2023, RESPONDENT received an email from Laura Leon of Driggs Title,
21 indicating that the Seller was scheduled to execute documents on February 8, 2023, through a mobile
22 notary. [NRED0044].

23 18. RESPONDENT stated that he trusted and relied upon Driggs, as a licensed and bonded
24 title and escrow company in good standing in the real estate community, to ensure that all the documents
25 needed from the Seller were complete, timely, duly signed, and authentic. [NRED0044].

26 19. On February 10, 2023, upon learning that a relative of Fredericks named Gary/Carey
27 raised potential issues with the ownership of the property, RESPONDENT indicated that he confirmed
28 with the title company, Laura Leon of Driggs Title Agency, that the sale was legitimate, that Ms.

1 Fredericks's signature was properly notarized, and that there was no impediment to closing. [NRED0044-
2 0045; 0063-0067].

3 20. On February 20, 2023, RESPONDENT was contacted by attorney Jeffrey Albregts, who
4 stated that although he was not representing Fredericks, in his opinion she could not have sold the
5 property because she lived in the U.K. and could not have notarized the documents. [NRED0045; 0073-
6 0078].

7 21. RESPONDENT contacted Laura Leon with Driggs Title Agency to inform her of the
8 potential issue, which she said she would need to seek counsel from her advisory committee.
9 [NRED0045; 0073-0075].

10 22. Regarding payment, Leon indicated to RESPONDENT that she made payment pursuant
11 to instructions she had received, and she verbally confirmed those instructions according to her
12 company's procedures. [NRED0045; 0076-0078].

13 23. On January 30, 2024, attorney Robert Ryan responded to the Division's open investigation
14 letter on behalf of Randy Paul Guevarra. [NRED0081-0083].

15 24. In his letter, attorney Ryan indicated that an individual identifying himself as "Frank
16 Green" reached out to Guevarra on January 31, 2023, purporting to represent Fredericks and proposing
17 an all-cash sale of the Property, which was in distressed condition. [NRED0081].

18 25. Guevarra inquired as to the reasons for the sale, and Green represented that Fredericks
19 "needed to get back to London." [NRED0082].

20 26. Based on Guevarra's experience with prior purchases of distressed real estate he did not
21 suspect there was anything out of the ordinary about this sale. [NRED0082].

22 27. Guevarra, on behalf of RJR, thereafter made a cash offer of \$190,000.00 to purchase the
23 Property, which Green verbally accepted on the condition that Driggs Title handle the escrow and
24 transaction. [NRED0082].

25 28. Guevarra took photos "to give to possible end buyers and video to post on social media to
26 increase marketing presence." [NRED0082].

27 29. Guevarra, on behalf of RJR, subsequently assigned its rights under the purchase
28 agreement to Alpha Investment Group, Inc, represented by RESPONDENT. [NRED0052-0053].

1 30. Despite being only an assignor and not the actual owner and seller of the Property,
2 Guevarra personally met with RESPONDENT’S contractor at the Property for inspections, during which
3 meeting they encountered a squatter living in a “man-made dwelling” on the patio. [NRED0082].

4 31. Guevara told the squatter that the Property was being sold and that she should vacate
5 within a week. [NRED0082].

6 32. Approximately one day before closing, Driggs Title had an issue that required the closing
7 to be pushed back by one day, and Guevarra states that he alerted Mr. Green to the delay, at which time
8 Green became very upset because he said his client needed to get back to London. Nevertheless, Mr.
9 Green eventually agreed to the extra day. [NRED0082-0083].

10 33. Guevarra claims he did not know of any issues with the sale until November 2023.
11 [NRED0082-0083].

12 34. On February 23, 2024, RESPONDENT’S broker, Enzo Varela, responded to the
13 Division’s open investigation letter to note that RESPONDENT’S reply served as his own, and that he
14 was supervising RESPONDENT “as best as possible.” [NRED0085-0087].

15 35. During the period from the signing of the Assignment through closing, RESPONDENT,
16 and RESPONDENT’s staff met with and communicated directly with the Assignor, Guevarra, regarding
17 inspections and other logistics, rather than with the purported seller of the Property, Fredericks, or her
18 purported representative, Mr. Green. [NRED0066; 0082].

19 36. During the period from the signing of the Assignment through closing, Laura Leon of
20 Driggs Title communicated directly with the Assignor, Guevarra, regarding the closing delay, rather than
21 with the purported seller of the Property, Fredericks, or her purported representative, Mr. Green.
22 [NRED0066; 0082].

23 37. On March 18, 2024, the Division mailed an NRS 233B letter via certified mail to
24 RESPONDENT, stating the Division’s intent to file a complaint with the Commission for violations of
25 NRS 645.235(1)(b) and NRS 645.633(1)(h). [NRED0105-0106].

26 38. That same day, the Division mailed an NRS 233B letter via certified mail to Paul Randy
27 Guevarra, stating the Division’s intent to file a complaint in Case No. 2023-994 against him for violations
28 of NRS 645.230(1)(a) and NRS 645.235(1)(a). [NRED0107-0108].

1 Nevada 89102. The meeting will continue on each day thereafter commencing at 9:00 a.m. through
2 August 15, 2024, until the business of the Commission is concluded.

3 **STACKED CALENDAR:** Your hearing is one of several hearings scheduled at the same
4 time as part of a regular meeting of the Commission that is expected to last from August 13, 2024,
5 through August 15, 2024, or earlier if the business of the Commission is concluded. Thus, your
6 hearing may be continued until later in the day or from day to day. It is your responsibility to be
7 present when your case is called. If you are not present when your hearing is called, a default may
8 be entered against you and the Commission may decide the case as if all allegations in the complaint
9 were true. If you have any questions, please call Kelly Valadez, Commission Coordinator, at (702)
10 486-4606.

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

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

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

26 The purpose of the hearing is to determine if the Respondent has violated NRS 645 and/or NAC
27 645 and if the allegations contained herein are substantially proven by the evidence presented and
28

1 **VIOLATIONS OF LAW**

2 RESPONDENT has committed the following violations of law:

3 1. RESPONDENT violated NRS 645.633(1)(c) pursuant to NRS 645.235(1)(b) by
4 willfully and/or knowingly assisting Paul Randy Guevarra, an unlicensed individual, in the performance
5 of activities constituting the representation of owner Fredericks for which a license is required under
6 NRS 645, in exchange for a commission, compensation, and/or a finder's fee.

7 2. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(1) by
8 exhibiting gross negligence or incompetence when he failed to do his utmost to protect the public from
9 fraud, misrepresentation and/or unethical practices, as demonstrated when he took inadequate measures
10 to address issues concerning the potential fraudulent sale of the Property in February 2023.

11 **DISCIPLINE AUTHORIZED**

12 Pursuant to NRS 645.630, the Commission is empowered to impose an administrative fine of up
13 to \$10,000 per violation and suspend, revoke, or place conditions on RESPONDENT'S license if
14 warranted.

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

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

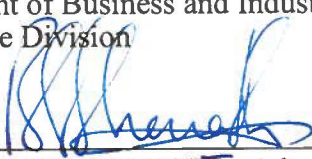
20 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider the
21 Administrative Complaint against the above-named Respondent in accordance with Chapters 233B and
22 645 of the Nevada Revised Statutes and Chapter 645 of the Nevada Administrative Code.

23 **THE HEARING WILL TAKE PLACE on August 13, 2024, commencing at 9:00 a.m., or as**
24 **soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing**
25 **at 9:00 a.m. through August 15, 2024, or earlier if the business of the Commission is concluded.**
26 **The Commission meeting will be held on August 13, 2024, at the Nevada Division of Insurance,**
27 **1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, with video conference to the**
28 **Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor, Nevada Room, Las Vegas,**

1 to further determine what administrative penalty is to be assessed against the RESPONDENT, if any,
2 pursuant to NRS 645.235, 645.633 and or 645.630.

3 DATED the 10 day of July, 2024.

4 State of Nevada
5 Department of Business and Industry
6 Real Estate Division

7 By: 
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11 AARON D. FORD
12 Attorney General

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