

# Open House

A newsletter for Nevada Real Estate Licensees

Department of Business & Industry

September/October 2014

## The Mission of the Real Estate Division Education Fund

To ensure awareness of relevant laws and practices by all licensees through proactive education and information efforts.

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## DECKER TAKES OFFICE AS NRED ADMINISTRATOR

**J**oseph (JD) Decker has taken office as the Administrator for the Nevada Real Estate Division.

Decker comes to NRED with more than 25 years of experience in government, military and private sector leadership and management.

He most recently served as deputy commissioner for the

*(Continued on page 2)*



**Joseph (JD) Decker**

## LICENSEES CAN ESTABLISH MY ACCOUNT ONLINE

**T**he Nevada Real Estate Division has implemented “My Account” functionality to our Online Services. My Account can provide 24/7 communication between licensees and the Division regarding licensing, education and contact information.

To access My Account, go the Division’s website at: <http://www.red.state.nv.us/>

and click on the online services link under the home page banner. At the bottom of the linked page, click on “Next” which takes you to the “Welcome to Nevada Real Estate Division Online Services” page. Carefully read the instructions regarding User ID and Password found on this page. At the top right of the Welcome page, find and click “Login.” The login screen will request the user to enter their

*(Continued on page 3)*

Official publication of  
**STATE OF NEVADA**  
**DEPARTMENT OF**  
**BUSINESS**  
**AND INDUSTRY**

**BRUCE H. BRESLOW**  
*Director*

**REAL ESTATE DIVISION**

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*Administrator*

**SAFIA ANWARI**  
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**NEVADA REAL ESTATE  
COMMISSION**

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*President*  
Clark County

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JOHNSON**  
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Washoe County

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Washoe County

**NEIL SCHWARTZ**  
*Commissioner*  
Clark County

# ...DECKER TAKES OFFICE AS NRED ADMINISTRATOR

*(Continued from page 1)*

Nevada Division of Insurance where he managed compliance and enforcement functions and implemented a strong culture of superior service and process improvement. Prior to that, Decker served as a senior manager in a variety of risk operations management positions for financial services industry leaders.

He is also a former US Army Special Forces officer.

“I’m very happy to lead this agency into the future, working to increase efficiencies and responsiveness, improve workflow processes, and focus the agency on delivering value and service to Nevada’s real estate marketplace” Decker said of his new role. ◀

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## OPEN HOUSE TO BE DELIVERED ELECTRONICALLY FROM 2015

**E**ffective Spring/Summer 2015, the Real Estate Division will start sending new issues of Open House to the email addresses of all active licensees. To ensure receipt of future copies of the newsletter, licensees are encouraged to provide their email addresses to the Division by

establishing their “My Account” (see the article by Steve Aldinger in this issue) and to keep their email addresses current in the Division’s database.

Future issues will no longer be printed. However, the newsletter will continue to be posted online and be available with past publications. ◀

### DIVISION STAFF UPDATES

#### NEW HIRES

##### Administration

Joseph (JD) Decker, Administrator  
Claudia Rosolen, Commission Coordinator  
Dana Terry, Administrative Assistant III

##### Licensing

Melanie Barkus, Administrative Assistant II  
Michele Stewart, Administrative Assistant II  
Norma Sniadich, Administrative Assistant II  
Amber Contreras, Administrative Assistant II

##### Common-Interest Communities

Susan Groteguth, Compliance Administrative Assistant II

#### Real Estate Education

Alta Smith, Administrative Assistant I

#### POSITION CHANGES

##### Administration

Teralyn Thompson, Legal Administrative Officer

##### Licensing

Debbie Stratton, Administrative Assistant II

#### Real Estate Education

VaNessa Finoña, Administrative Assistant II

# ... LICENSEES CAN ESTABLISH MY ACCOUNT ONLINE

(Continued from page 1)

User ID and Password following the parameters outlined on the previous Welcome page.

First time users will be asked to create three security questions. Ongoing user maintenance of My Account includes the ability to change your password and security questions.

There are three tabs in My Account: “Contact Information” reflects your name and home physical address, mailing address and phone number as they appear in Division records. Under the “Credential Information” heading in My Account, a licensee can see information as it appears in the Division’s database pertaining to licenses held. Credential information includes the license number, license type and license status. The “Continuing Education Credits” tab shows courses completed according to education sponsor data provided to the Division. For postlicensing and continuing education, the information provided is the education provider’s (sponsor’s) name, course title and course number assigned by the Division, course designation (or module number if applicable to a course of postlicensing education), course delivery (classroom or distance education), credit hours and the date that the course was successfully completed.

It is intended that the postlicensing and continuing education information will allow licensees to know exactly what courses the Division has received towards upcoming license renewal requirements. Education sponsors are providing class roster information to the Division which is then loaded into the Division database and provides the

**There are three tabs in My Account: Contact Information, Credential Information and Continuing Education Credits.**

details to populate the My Account screen. When renewing a license from now through June 30, 2015, licensees will have to provide paper course completion certificates to the Division for courses taken prior to electronic roster submission by the sponsors, which took effect on April 14, 2014. (See Informational Bulletin #29 for details on mailing CE certificates.)

Data from the paper certificates is entered manually into the Division database. Once fully implemented, a licensee will be able to view My Account to determine if postlicensing and continuing education requirements for license renewal have been met and, if there are discrepancies, address them prior to renewal deadline.

If the information found under the “Contact Information” tab is not current, a licensee can update addresses and phone numbers by clicking on “Change Address/Phone” at the screen top left and then click “Start.” This will take the user to a new screen showing all information as it appears in the Division database.

The user can edit any field shown by clicking the “Edit Address Above” box and entering the new information in the proper field.

A special note on emails: Licensees can provide a current email address for future Division use, but will not see the My Account email field update at this time.

The business (renewal) address cannot be updated online and will still require the proper change form (i.e. Form #507 for brokers or Form #505 for real estate licenses) and form processing fee.

If you desire a step-by-step guide with screen shots for setting up and using My Account, go to the Division’s web site, click “Publications” (top blue banner, right side) and then “Informational Bulletins” (sixth line down under Publications) and open Bulletin #30. Requests to reset passwords after log-in failures must include your license number and should be emailed to: realest@red.state.nv.us with “reset password” in the subject line. ◀

# Disciplinary Actions / Stipulations

## ACTIONS/DECISIONS

*Real Estate Commission actions are not published in this newsletter until the 30-day period allowed for filing for Judicial Review has passed. If a stay on discipline is issued by the Court, the matter is not published until final outcome of the Review.*

*A Respondent's license is automatically suspended for failure to comply with a Commission Order, and the Division may institute debt collection proceedings to recover fines and costs. Names of*



## ALLEGATIONS/STIPULATIONS

*Stipulations occur when both the Respondent and Division have agreed to conditions reviewed and accepted by both sides. A stipulation may or may not be an admission of guilt. Stipulations are presented to the Commission for review and acceptance.*

*persons whose license applications have been denied are not published.*

NAME	HEARING DATE / TYPE	VIOLATION OR STIPULATION	FINES / EDUCATION / OTHER ACTION
<b>KENNETH M. DIVICH</b> B.0000003 (Surrendered) PM.0164011 (Surrendered)	March 2014 Voluntary Surrender	As the broker for a real estate company, failed to have proper policies and procedures in place and failed in duty to supervise a salesperson. Violated NAC 645.600 (1) by failing to supervise and NAC 645.633(l) (h) by acting with gross negligence and incompetence.	In lieu of other disciplinary action by the Division, respondent surrendered his Broker's license and property management permit and agreed to not apply for any real estate licenses in Nevada for a period of seven years.
<b>ROBERT B. BENZ</b> B.0020433 (Revoked) PM.0165025 (Revoked)	December 2013 Action	As the broker for a real estate company, failed to: account for or remit money owed to clients; oversee client trust accounts; supervise activities for the corporation; and submit Trust Account Reconciliation for the year 2011. Respondent also commingled or converted client money for his own use, assisted individuals in providing services for which they did not hold the required license and/or permit, and allowed an unlicensed person to operate, and be the signor for, security deposit accounts.	Broker's license and property management permit revoked. \$10,000 fine
<b>SHARON (DYLAN) SHINA</b> S.0062067 (Active)	December 2013 Action	Agreed to a stipulation of facts and liability that he engaged in property management activities without the required permit. Violations include: acting as a property manager with respect to seven properties; directly paying commissions to people he was not licensed under; multiple material misrepresentations regarding five properties; commingling client money with his own; and a pattern of unlawful activities. Respondent also failed to: produce documents in his possession or under his control, and disclose all facts and documents pertinent to the investigation.	\$115,000 fine
<b>IVY LATIMORE</b> S.0051455 (Active)	July 2013 Stipulated Settlement	Respondent violated NRS 645.230(1)(b) by engaging in property management activities without a permit.	\$1,000 fine Agreed to not conduct property management without first obtaining a permit from the Division.

## Disciplinary Actions / Stipulations (Continued)

NAME	HEARING DATE / TYPE	VIOLATION OR STIPULATION	FINES / EDUCATION / OTHER ACTION
<b>SAMUEL SCHWARTZ</b> B.0025708 (Active) PM.063993 (Surrendered)	July 2013 Stipulated Settlement	Allowed unlicensed real estate and property management activities by failing to supervise an employee, who utilized bank accounts to set up separate property management companies. Failed to maintain trust accounts for property management clients and did not turn in Trust Account Reconciliation reports to the Division for 2010, 2011 and 2012. Violated 645.610(1)(b)(2)(e) 35 times by advertising and working under a name not licensed with the Division.	\$20,000 fine WELSK: 3 hours Broker Management: 6 hours Voluntary surrender of property management permit. Agreed to not participate in property management activities and not apply for a property management permit for at least three years.
<b>W. R. SCHULTE</b> B.0026569 (Revoked) PM.0126569 (Revoked)	July 2013 Action	Respondent failed to supervise bookkeeper and the operation of his business, resulting in a deficiency in security deposits of \$204,157.86 for 180 properties. Failed to remit money owed to clients, and did not balance trust accounts or turn in Trust Account Reconciliation reports to the Division for 2009, 2010 and 2011.	\$75,000 fine Broker license and property management permit revoked. Payment in the amount of \$7,080.41 from the Nevada Real Estate Recovery Fund was made to Gary Jensen Jamison against licensee.
<b>AHMAD SHARIF-YAZDI</b> B.0001241 (Active) PM.0163138 (Active)	July 2013 Stipulated Settlement	Entered into a property management agreement without the consent or knowledge of his broker and accepted management fees as compensation. Failed to place deposits or other money entrusted to him in the custody of his broker and did not provide the subject transaction documents to his broker within five days of execution.	\$3,000 fine WELSK: 3 hours
<b>JACQUELINE G. COLLI</b> BS.0020752 (Revoked) PM.0120752 (Revoked)	July 2013 Action	Convicted of felony on two counts of theft for writing unauthorized checks and making unauthorized withdrawals from company bank accounts. Violated NRS 645.633(1)(d) (1) and (2) relating to the practice of the licensee that involved fraud, deceit, misrepresentation or moral turpitude.	\$30,000 fine Broker salesperson license and property management permit revoked.
<b>RIGOALBERTO (RIGO) CARDENAS</b> S.0071962 (Revoked)	December 2013 Action	Made false promises to clients in regards to a loan modification in one instance, and a short sale in another. Respondent accepted compensation directly for both, but did little or nothing to help the homeowners.	\$50,000 fine Salesperson license revoked.
<b>CHARLES SCHMIDT</b> (Unlicensed)	July 2013 Stipulated Settlement	Allegedly acted in the capacity of a property manager without first obtaining a broker, broker-salesperson or salesperson license, and a permit to engage in property management.	\$500 fine Did not admit to the facts and violations of law, but agreed to not engage in unlicensed activities.
<b>GERRY HOLINSKI</b> S.0036386 (Active)	January 2011 Stipulated Settlement	As the seller's agent, included a payment of \$55,200 out of escrow to a third party for a property.	\$5,000 fine WELSK: 6 hours Ethics: 6 hours Contracts: 3 hours

**797  
EXPIRED**

As of August 2014, the following number of real estate licenses in the Division system are expired:

- Broker: 61
- Broker-Salespersons: 98
- Salespersons: 638
- Total: 797

A real estate license must be renewed within one year of its expiration date or it will be permanently closed.

To check the status of a license, visit [www.red.state.nv.us](http://www.red.state.nv.us) and click on License Lookup.

## **COMMUNICATIONS IN THE SALES OF TENANT-OCCUPIED HOMES**

A successful transaction in residential real estate is generally considered to be one in which escrow is closed, proceeds are disbursed, keys are handed over and commissions are earned. It is generally also accepted that good communications and timely exchange of information – whether mandatory disclosures or specific to the property – are key to the successful completion of transactions. The State-produced disclosure guide and forms, the contract forms available from trade associations, and the relevant provisions of Chapters 645, 116A and 118A provide useful road-maps to help navigate the listing and sales processes. When the road-maps are closely and correctly followed parties are informed and agents are in compliance regardless of whether the transaction closes or not.

In the sale of tenant-occupied homes, the winning formula includes the additional element of ensuring that the parties to the transaction and others affected by the sale, such as tenants, have received the information they need to make the post-sale transition

without harm.

The cases in point below illustrate how two transactions involving rental homes can be properly handled by the listing agents.

Agent A took a listing of a tenant-occupied home and, in the process of completing the exclusive right listing agreement form, she discovered that the property was managed by the seller-client. She explained to her client the statutory requirements for dealing with the termination or transfer of the lease upon sale and, with the client's consent, undertook to notify the tenants and either transfer or refund the security deposits in compliance with NRS 118A.244, which she did after the property sold.

Agent B also listed a tenant-occupied home. This property was managed by a Property Manager (PM) whose name and contact details Agent B obtained from the client. He then contacted PM to inform her that the property was listed for sale and maintained communications with her to provide updates at each crucial stage of the transaction such as when an offer was accepted, the

anticipated close of escrow, and the name and phone number of the buyer's agent, etc. Upon the sale of this property, PM was ready to notify the tenants and had made the necessary arrangements to have future rents paid to the new owners and the transfer or refund of security deposits, as applicable, in accordance with the requirements of law.

Both agents provided exemplary representation to their respective clients, both properties changed hands, and the interests of the parties to the transactions were well served. More importantly, with just a little extra effort and communication these licensees ensured that their clients, the purchasers and others affected by the sale—tenants and property manager—had the information and the opportunity to prepare for the changes involved in the sale of an occupied rental home. ◀

## ***DIVISION SEEKS ADVISORY COMMITTEE MEMBERS***

The Real Estate Division is seeking to increase membership of the Real Estate Advisory Committee and is inviting applications from interested licensees who meet the criteria listed below. Once appointed to the Committee by the Real Estate Commission, the Advisory Committee member will assist the Administrator on a recurring basis to conduct education course audits, and may be called upon by the Administrator or the Commission, if needed, to assist with other matters.

To qualify, applicant must be a U.S. citizen, resident in Nevada for at least 5 years, have been:

- a. an active broker for at least 2 years; or
  - b. an active broker-salesperson for at least 5 years; and
- may not have a record of Commission discipline in the past 5 year.

Appointment to the Advisory Committee is at the discretion of the Commission.

For more details and/or an application form, contact:

Legal Administrative Officer, Real Estate Division  
2501 E. Sahara Avenue, Las Vegas, NV 89104

**Email: [Realest@red.state.nv.us](mailto:Realest@red.state.nv.us)**

### **CLASS SCHEDULE: WHAT EVERY LICENSEE SHOULD KNOW 2105**

<b>Date</b>	<b>Hours</b>	<b>Designation</b>	<b>CE#</b>	<b>Location</b>	<b>Sponsor</b>
10/16/14	3	Law & Leg	CE.5594003-RE	Las Vegas	Steven Kitnick Seminars LLC (702) 255-8722
10/21/14	3	Law & Leg	CE.5594001-RE	Las Vegas	Greater Las Vegas Association of REALTORS® (702) 732-8177
11/13/14	3	Law & Leg	CE.5594003-RE	Las Vegas	Steven Kitnick Seminars LLC (702) 255-8722
11/24/14	3	Law & Leg	CE.5594001-RE	Las Vegas	Greater Las Vegas Association of REALTORS® (702) 732-8177
12/05/14	3	Law & Leg	CE.5594001-RE	Las Vegas	Greater Las Vegas Association of REALTORS® (702) 732-8177
12/11/14	3	Law & Leg	CE.5594003-RE	Las Vegas	Steven Kitnick Seminars LLC (702) 255-8722
12/11/14	3	Law & Leg	CE.5594002-RE	Reno	Reno/Sparks Association of REALTORS® (775) 823-8800 www.rsar.net

3826  
 State of Nevada  
 Department of Business & Industry  
 Real Estate Division  
 2501 E. Sahara Avenue, Suite 101  
 Las Vegas, NV 89104-4137

PRSRT STD  
 U.S. POSTAGE  
**PAID**  
 Carson City, NV 89701  
 PERMIT #15

Real Estate Statistics through August 2014

County	BROKER		BROKER SALESPERSON		SALESPERSON		TOTALS	
	Active	Inactive	Active	Inactive	Active	Inactive	Active	Inactive
Unknown	236	69	233	85	1081	247	1550	401
Carson City	47	26	32	14	136	30	215	70
Churchill	13	9	8	2	41	12	62	23
Clark	1,764	427	2,162	455	10,784	2,270	14,710	3,152
Douglas	65	13	74	14	228	40	367	67
Elko	23	4	18	7	51	8	92	19
Esmeralda	0	0	1	0	1	1	2	1
Eureka	1	1	0	0	1	0	2	1
Humboldt	6	4	3	4	20	1	29	9
Lander	1	1	3	0	3	0	7	1
Lincoln	1	0	1	0	2	0	4	0
Lyon	28	11	20	7	88	20	136	38
Mineral	1	0	0	0	2	1	3	1
Nye	36	7	21	11	90	33	147	51
Out Of State	209	33	145	52	249	147	603	202
Pershing	1	1	0	0	0	1	1	2
Storey	1	0	3	0	5	1	9	1
Washoe	384	189	381	138	1,690	302	2,455	629
White Pine	3	0	2	1	4	2	9	3
<b>Total</b>	<b>2,820</b>	<b>795</b>	<b>3,107</b>	<b>790</b>	<b>14,476</b>	<b>3,116</b>	<b>20,403</b>	<b>4,671</b>