BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

vs.

JULES MITCHELL LEHR,

Respondent.

Case No. 2019-521

FILED

MAY 15 2020

REAL ESTATE COMMISSION

BY

COMPLAINT AND NOTICE OF HEARING

The REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY OF THE STATE OF NEVADA ("Division"), by and through its counsel, Aaron D. Ford, Attorney General of the State of Nevada, and Dennis L. Belcourt, Deputy Attorney General, hereby notifies RESPONDENT JULES MITCHELL LEHR ("RESPONDENT") of an administrative hearing before the STATE OF NEVADA REAL ESTATE COMMISSION. The hearing will be held pursuant to Chapters 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 645.633, NRS 645.630, NRS 645.235 and NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

RESPONDENT at all relevant times mentioned in this Complaint was licensed as a real estate salesperson by the Division, and, although not holding a permit to manage property issued by the Division, conducted activities for which such a permit is required. He 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. RESPONDENT has been licensed by the Division as a real estate salesperson, S.0174507. At all relevant times mentioned in this Complaint, RESPONDENT was under the broker American Realty Properties, LLC. His most recent broker is Sin City Realty, LLC.

2. On or about May 18, 2018, Edward Labate electronically signed, as tenant ("the tenant"), a multi-year Residential Lease Agreement (the Agreement) prepared by RESPONDENT for 4350 Newview Circle, Las Vegas, NV 89103 (4350 Newview).

3. Under the Agreement RESPONDENT presented to the tenant, the tenant paid initial costs, charges and deposits on the tenancy in the amount of $3,500.

4. RESPONDENT provided the owner, Xinfeng Li ("the owner"), a different version of the Agreement, which only required tenant to pay the owner initial costs, charges and deposits of only $2,000.

5. In the course of the Division's investigation, RESPONDENT denied drafting the Agreement, claiming instead that the owner drafted it.

6. RESPONDENT denied doing any property management at Newview.

7. However:

   a. RESPONDENT collected the initial costs, charges and deposits in the amount of $3,500 from the tenant, including the $1,500 excess over what the owner was due under the owner's version of the Agreement.

   b. RESPONDENT intended the $1,500 or other valuable consideration as fees for his management services.

   c. The Agreement provided that "agent jules lehr (sic) is to assist owner to make necessary repairs and cleaning and furnish oven before tennant (sic) moves in."

   d. RESPONDENT has in fact claimed he did cleaning and landscaping at and provided a stove to 4350 Newview.

   e. RESPONDENT had previously signed a stipulation to settle a matter brought before the Commission which matter involved two occasions of managing property without a permit.

8. RESPONDENT misrepresented to the Division investigator that he received no pay for the transaction, having received the $1,500 or other consideration.

9. RESPONDENT failed to turn over the $1,500 or other consideration in his possession and legally due another until nearly a year later, after the tenant complained about it and threatened to expose RESPONDENT.

10. After requesting and being granted an extension of time to respond to the complaint, RESPONDENT delayed nearly two weeks beyond the extended deadline to respond to the Division's request.

VIOLATIONS

RESPONDENT has committed the following violations of law:

11. RESPONDENT violated NRS 645.235(1)(b) by engaging or offering to engage in an activity for which a property management permit issued by the Division is required, without an active permit in place.

12. RESPONDENT violated NRS 645.630(1)(a) (making a material misrepresentation), NRS 645.321 or NRS 645.633(1)(i), pursuant to NAC 645.605(1) (conduct which constitutes deceitful, dishonest or fraudulent dealing) by misrepresenting the terms of the Agreement to the owner and the tenant.

13. RESPONDENT violated NRS 645.633(l)(i) pursuant to NAC 645.605(11)(a) (failing to comply or delaying compliance with a request by the Division to provide documents) by not providing a response to the complaint within the time permitted.

14. RESPONDENT violated NRS 645.630(f)(failing, within a reasonable time, to account for or to remit any money which belongs to others), by failing to pay over the $1,500 or other consideration within a reasonable time.

15. RESPONDENT violated NRS 645.633(l)(i) pursuant to NAC 645.605(11)(c) (supplying false information to an investigator, auditor or any other officer of the Division), specifically by stating to the Division's investigator that he did not prepare the Agreement or that he received no consideration under the agreement.

. . .

DISCIPLINE AUTHORIZED

16. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an administrative fine per violation against RESPONDENT that may not exceed $10,000, and further to suspend, revoke or place conditions on the license of RESPONDENT.

17. Pursuant to NRS 645.235(2), the Commission may impose an administrative fine for property management without a permit that may not exceed the amount of gain or economic benefit the RESPONDENT received or $5,000, whichever is greater.

18. Additionally, under NRS Chapter 622, the Commission is authorized to impose costs of the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the Commission otherwise imposes discipline on RESPONDENT.

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

NOTICE OF HEARING

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

THE HEARING WILL TAKE PLACE on June 16, 2020 commencing at 9:00 a.m., or as soon thereafter as the Commission is able to hear the matter, and each day thereafter commencing at 9:00 a.m. through June 18, 2020, or earlier if the business of the Commission is concluded. The Commission meeting will be held on June 16, 2020, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102. The meeting will continue on June 17, 2020, at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Nevada Room, Las Vegas, Nevada 89102, commencing at 9:00 a.m., and on June 18, 2020, should business not be concluded, starting at 9:00 a.m. at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor – Tahoe Room, Las Vegas, Nevada 89102.

STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same time as part of a regular meeting of the Commission that is expected to last from June 16, 2020, through June 18, 2020, or earlier if the business of the Commission is concluded. Thus, your

hearing may be continued until later in the day or from day to day. It is your responsibility to be present when your case is called. If you are not present when your hearing is called, a default may be entered against you and the Commission may decide the case as if all allegations in the complaint were true. If you have any questions please call Evelyn Pattee, Commission Coordinator (702) 486-4074.

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

As the RESPONDENT, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice. At the hearing, the Division has the burden of proving the allegations in the complaint and will call witnesses and present evidence against you. You have the right to respond and to present relevant evidence and argument on all issues involved.

You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant to the issues involved.

You have the right to request that the Commission issue subpoenas to compel witnesses to testify and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in NRS 645.680 through 645.990, NRS Chapter 233B, and NAC 645.810 through 645.920.

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

. . .

. . .

. . .

. . .

. . .

further determine what administrative penalty, if any, is to be assessed against the RESPONDENT, pursuant to NRS 645.630, NRS 645.633, NRS 645.235 or NRS 645.230.

DATED this 12 day of May, 2020.

State of Nevada
Department of Business and Industry
Real Estate Division

By: _____
SHARATH CHANDRA, Administrator
3300 West Sahara Avenue, Suite 350
Las Vegas, Nevada 89102

AARON D. FORD
Attorney General

By: / s / Dennis L. Belcourt
DENNIS L. BELCOURT (Bar. No. 2658)
Deputy Attorney General
555 E. Washington Avenue, Suite 3900
Las Vegas, Nevada 89101
(702) 486-3326
Attorneys for Real Estate Division