BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA, Petitioner, vs. CASEY POWERS, (B.0144884.LLC, PM.0166735.BKR) Respondent.	Case No. 2024-386

FILED

AUG 2 2 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, Department of Business and Industry, State of Nevada (the "Commission"), during a regular agenda set for a three-day stack commencing on August 14, 2024 (the "Hearing"). RESPONDENT Casey Powers ("RESPONDENT") did not appear in person, through counsel, or otherwise. RESPONDENT'S former broker, James "Jim" Eagan (B.1000724.LLC, BUSB.0006971.BKR, and PM.0164085.BKR) was present. RESPONDENT'S Christal Park Keegan, Esq., Deputy Attorney General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division").

The Division's counsel advised the Commission that RESPONDENT did not file an answer pursuant to NRS 645.810(13), therefore the Division filed its Notice of Default on August 9, 2024. Further, the Division's counsel informed the Commission that RESPONDENT did not show up at her hearing on August 13, 2024 in a related court Case No. A-24-897132-C NRED v. Casey Powers and Enterprise Bank & Trust.

RESPONDENT'S former broker Mr. Eagan made a statement to the Commission.

Since RESPONDENT failed to appear at the hearing, the Division accordingly proceeded with a default pursuant to NAC 645.860. The Division's Commission Coordinator testified regarding proper notice to the RESPONDENT. The Commission found proof of service of the Complaint and Notice of

Hearing, Notice of Complaint and Obligation to Respond, and Notice of Documents with documents numbered NRED 000001 – 000454 was made.

After hearing testimony presented in this matter and for good cause appearing, the Commission now enters its Findings of Fact, Conclusions of Law and Order against RESPONDENT as follows:

JURISDICTION

RESPONDENT, at all relevant times mentioned in this Complaint, was actively licensed as a broker under license number B.0144884.LLC, and a property manager under license number PM.0166735.BKR. RESPONDENT is, therefore, subject to the jurisdiction of the Division and the Commission, and the provisions of NRS Chapter 645 and NAC Chapter 645. As of the date of this Complaint, RESPONDENT'S licenses are in active status.

FINDINGS OF FACT

At all times relevant to the Complaint, RESPONDENT was the broker of Strawberry Realty and Strawberry Property Management LLC. *NRED 000003.*

At all times relevant, RESPONDENT property managed for about 50 owners. *NRED 000439.*

Beginning on or about April 23, 2024, the Division began receiving numerous complaints against RESPONDENT from property owners for whom the Respondent managed for failing to remit and account for rent and security deposits. *NRED 000393 – NRED 000440.*

Complaint #1 – Nevada Properties Located at 922 Stetson Dr., Henderson 89002, 7929 Cherry River Dr., Las Vegas 89145 and 8046 Teresita Ave., Las Vegas 89147

For approximately five (5) years, RESPONDENT managed the properties located at (1) 922 Stetson Dr., Henderson, NV 89002, (2) 7929 Cherry River Dr., Las Vegas, NV 89145 and (3) 8046 Teresita Ave., Las Vegas, NV 89147 (the "Stetson, Cherry River, and Teresita Properties"). *NRED 000394.*

On or about April 4, 2024, the owner was notified by the RESPONDENT that she was closing her business due to health reasons. *NRED 000394.*

But the owner never received rent income for March of 2024 for the three (3) properties. *NRED 000394.*

On or about April 23, 2024, a complaint was filed against RESPONDENT by the owner of the Stetson, Cherry River, and Teresita Properties ("Complainant #1). *NRED 000392 - NRED 000393.*

As a result, Complainant #1 alleged the mortgages were defaulting due to RESPONDENT failing to remit rent payments. *NRED 000394.*

The next day, April 24, 2024, the Division informed RESPONDENT it had received a complaint and provided her with an opportunity to resolve the matter directly. *NRED 000443.*

On or about April 30, 2024, in response, RESPONDENT stated to the Division: "Yes I can resolve the issue with the client asap." *NRED 000443.*

Complaint #2 – Nevada Property Located at 2200 S. Ft. Apache Rd. #1234, Las Vegas 89117

For approximately six (6) years, RESPONDENT managed the property located at 2200 S. Ft. Apache Rd. #1234, Las Vegas, NV 89117 ("Apache Property"). *NRED 000416.*

In March of 2024, the owner suddenly stopped receiving communications from the RESPONDENT. *NRED 000416.*

The owner's property also stopped being managed by the RESPONDENT. *NRED 000416.*

On or about April 29, 2024, a complaint was filed against RESPONDENT by the owner of the Apache Property ("Complainant #2"). *NRED 000415 – NRED 000416.*

At all times relevant, Complainant #2 had not received approximately $2,600, for the March of 2024 rent income of approximately $1,300, nor the security deposit of approximately $1,300. *NRED 000416.*

Complaint #3 – Nevada Property Located at 6441 W. Tropicana Ave., #202, Las Vegas 89103

RESPONDENT managed the property located at 6441 W. Tropicana Ave., #202, Las Vegas, NV 89103 ("Tropicana Property"). *NRED 000419.*

In early April of 2024, the owner was notified by the RESPONDENT that she was retiring because of unspecified health issues and the account would be transferred. *NRED 000419.*

On or about April 9, 2024, the owner informed the RESPONDENT he would handle his own account and requested the security deposit plus the March rent income. *NRED 000419.*

The owner did not receive a response from the RESPONDENT. *NRED 000419.*

On or about May 2, 2024, a complaint was made against RESPONDENT by the owner of the Tropicana Property ("Complainant #3"). *NRED 000418 – NRED 000419.*

At all times relevant, the owner had not received approximately $3,000, for March 2024 rent income of approximately $1,200, nor the security deposit of approximately $1,800. *NRED 000419.*

Complaint #4 – Nevada Property Located at 8785 W. Ford Ave., Las Vegas, 89148

RESPONDENT managed the property located at 8785 W. Ford Ave., Las Vegas, NV 89148 ("Ford Property"). *NRED 000423.*

On or about May 6, 2024, a complaint was made against RESPONDENT by the owner of the Ford Property ("Complainant #4"). *NRED 000422 – NRED 000423.*

At all times relevant, Complainant #4 has not received approximately $7,035.00 for the last two months of rent income and the security deposit. *NRED 000423.*

Complaint #5 – Nevada Property Located at 10544 Valdosta Ave., Las Vegas 89129

RESPONDENT managed the property located at 10544 Valdosta Ave., Las Vegas, NV 89129 ("Valdosta Property"). *NRED 000426.*

The owner's property stopped being effectively managed by the RESPONDENT. *NRED 000426.*

Therefore, on March 26, 2024, the owner cancelled property management with the RESPONDENT. *NRED 000426.*

The owner finally received a response from the RESPONDENT who claimed she was having health problems but would transfer all the properties to a new company. *NRED 000426.*

The owner was informed by the RESPONDENT that she would send the rents to the owner and the deposit to the new management company. *NRED 000426.*

On or about May 6, 2024, was the last time the owner talked to the RESPONDENT, at which time the RESPONDENT said she would send the money by the end of the week. *NRED 000426.*

But the owner did not receive the last two months of rent, nor did RESPONDENT return the security deposit. *NRED 000426.*

Therefore, on or about May 15, 2024, a complaint was made against RESPONDENT by the owner of the Valdosta Property ("Complainant #5"). *NRED 000425 – NRED 000426.*

Complaint #6 – Former Broker

On or about April 29, 2024, RESPONDENT'S former broker reached out to Division to report that he believed RESPONDENT "has skipped town with client security deposits and about 2 months rent for about 50 owners." *NRED 000439.*

The Former Broker alleged one of RESPONDENT'S clients contacted him because they had not received their rent. *NRED 000439.*

When the Former Broker followed up, RESPONDENT stated "I'm done with property management." *NRED 000439.*

The Former Broker purchased RESPONDENT's portfolio, and approximately 44 out of about 49 properties have allegedly joined his Limestone Investments. *NRED 000439.*

The Former Broker alleges RESPONDENT has not been forthcoming with leases, security deposits or rents. *NRED 000439.*

Complaint #7 – Nevada Property Located at 1126 Bradley Bay Ave., Henderson, 89014

At all times relevant, RESPONDENT managed the property located at 1126 Bradley Bay Ave., Henderson, NV 89014 ("Bradley Bay Property"). *NRED 000433.*

On or about April 4, 2024, the owner was notified by the RESPONDENT that she had health issues and arranged for another company to take over. *NRED 000433.*

The owner then realized RESPONDENT had not paid him the March and April 2024 rent income. *NRED 000433.*

The owner checked with the new company, and it had not received rents nor the security deposit from the RESPONDENT either. *NRED 000433.*

On or about June 10, 2024, a complaint was made against RESPONDENT by the owner of Bradley Bay ("Complainant #6"). *NRED 000432 – NRED 000433.*

At all times relevant, Complainant #6 did not receive approximately $6,258.40, for the two (2) months of rent income of approximately $3,758.40, nor the security deposit of approximately $2,500. *NRED 000433.*

Complaint #8 – Nevada Property Located at 820 New Season Ct., Las Vegas 89123

At all times relevant, RESPONDENT managed the property located at 820 New Season Ct., Las Vegas, NV 89123 ("New Season Property"). *NRED 000435 – NRED 000437.*

On or about June 16, 2024, a complaint was filed against RESPONDENT by the owners of the New Season ("Complainants #7"). *NRED 000435 – NRED 000437.*

Complainants #7 alleged RESPONDENT failed to pay them March and April 2024 rent income, and still held the tenant's deposit. *NRED 000435 – NRED 000437.*

On or about June 16, 2024, Complainants #7 sent RESPONDENT a demand letter requesting a total amount of $5,369.20, for the March and April 2024 rent collected from the tenant minus the management fee in the amount of $3,509.20 and the tenant deposit held of $1,860. *NRED 000437.*

On or about April 26, 2024, the Division sent its initial letter to the RESPONDENT notifying her it received a complaint against her and requested a written response, along with the complete broker files by May 10, 2024. *NRED 000310.*

On May 1, 2024, the Commission issued a Subpoena to obtain RESPONDENT'S bank records. *NRED 000327 – NRED 000328.*

RESPONDENT'S subpoenaed bank records for the Client Trust Account Rents (account ending 9737) demonstrated a balance of $124,476.59 ending April 30, 2024. *NRED 000369.*

RESPONDENT'S subpoenaed bank records for the Security Deposit Trust (account ending 9745) demonstrated a balance of $68,078.74 ending April 30, 2024. *NRED 000378.*

On or about May 13, 2024, the Division sent a letter informing RESPONDENT that it still had not received any documents and the notarized affidavit from its first request on April 26, 2024. *NRED 000319.*

The Division also informed the RESPONDENT that it had since received three (3) more complaints against her. *NRED 000319.*

As a courtesy, the Division provided the RESPONDENT with an extension to May 23, 2024. *NRED 000319.*

RESPONDENT did not provide the notarized affidavit, nor the documents requested, and instead, claimed health issues for failing to resolve complaints with her clients. *NRED 000452.*

The Division provided RESPONDENT with yet another extension to June 3, 2024. *NRED 000451.*

In an informal response, the RESPONDENT assured the Division that "most of my clients" had been transferred to Limestone Investments and that "I should have all the vendors and owners paid." *NRED 000450.*

Further, on or about June 3, 2024, RESPONDENT represented to the Division "Payments have been initiated to owners and they should be seeing them deposited into their bank accounts on June 6." *NRED 000449.*

On or about June 11, 2024, the Division did not have proof that the complainants had been paid, and accordingly notified the RESPONDENT that it intended to proceed with formal disciplinary action. *NRED 000323.*

CONCLUSIONS OF LAW

Whereas the Commission found that the Division proved by a preponderance of the evidence the foregoing findings of fact, and concludes by unanimous vote that the RESPONDENT committed the following violations of law, as presented in the Complaint:

1. RESPONDENT violated NRS 645.630(1)(f) for failing to account for and remit her client's rent and/or security deposits on seven (7) counts.

2. RESPONDENT violated NRS 645.635(6) for failing to provide a written response to the Division's on five (5) counts.

ORDER

The Commission, being fully apprised in the premises, and good cause appearing to the Commission, by unanimous vote, ORDERS as follows:

1. RESPONDENT shall pay an administrative fine to the Division in the total amount of $127.035.14 ("Amount Due"), which includes an administrative fine of $120,000 for a total of twelve

(12) counts of violations (seven (7) counts of violations of law under NRS 645.631(1)(f) plus five (5) counts of violations of law under NRS 645.635(6), at $10,000 per violation), and $7,035.14 for the Division's costs and attorney's fees, within thirty (30) days from the effective date of this Order.

2. All RESPONDENT'S licenses, permits and certificates shall be revoked on the effective date of this Order.

3. If payment is not actually received by the Division on or before its due date, it shall be a default by RESPONDENT. In the event of default, the unpaid balance of the administrative fine and costs, 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, and the Division may obtain a judgment for the amount owed, including collection fees and costs.

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

5. This Order shall become effective thirty (30) days after the date of this Order.

DATED this 22 day of August, 2024

NEVADA REAL ESTATE COMMISSION

By: _____
President, Nevada Real Estate Commission

DATED this 16th day of August, 2024

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