

IN THE SUPREME COURT OF THE STATE OF NEVADA

SHARATH CHANDRA,
ADMINISTRATOR, NEVADA
REAL ESTATE DIVISION,

Appellant,

vs.

MELANI SCHULTE; AND
WILLIAM SCHULTE,

Respondents.

Case No. 75477

District Court No. D-12-458809-D

Electronically Filed
Feb 13 2019 08:07 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

JOINT APPENDIX – VOLUME I of III

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Case No. 75477

INDEX TO JOINT APPENDIX

Appellant, SHARATH CHANDRA, ADMINISTRATOR, NEVADA
REAL ESTATE DIVISION, by and through his undersigned attorneys, hereby
submits this JOINT APPENDIX as follows:

DESCRIPTION	VOL.	BATES NUMBERS
Amended Decree of Divorce Nunc Pro Tunc, filed April 3, 2017	I	JA0028-JA0043
Complaint and Notice of Hearing, filed June 11, 2013	I	JA0006-JA0013
Complaint for Divorce, filed February, 10, 2012	I	JA0001-JA0005
Final Judgment in Favor of 1341 Minuet, LLC and Against William R. Schulte, filed May 18, 2017	I	JA0061-JA0063
Final Judgment in Favor of 1701 Empire Mine, LLC and Against William R. Schulte, filed May 18, 2017	I	JA0055-JA0057
Final Judgment in Favor of 2861 Marathon, LLC and Against William R. Schulte, filed May 25, 2017	I	JA0079-JA0081
Final Judgment in Favor of 5524 Rock Creek, LLC and Against William R. Schulte, filed May 18, 2017	I	JA0064-JA0066

Final Judgment in Favor of 5609 San Ardo, LLC and Against William R. Schulte, filed May 18, 2017	I	JA0067-JA0069
Final Judgment in Favor of 8216 Peaceful Canyon, LLC and Against William R. Schulte, filed May 23, 2017	I	JA0076-JA0078
Final Judgment in Favor of 9521 Sierra Summit, LLC and Against William R. Schulte, filed May 18, 2017	I	JA0070-JA0072
Final Judgment in Favor of Cherish, LLC and Against William R. Schulte, filed May 18, 2017	I	JA0058-JA0060
Final Judgment in Favor of Melani Schulte and Against William R. Schulte, filed May 23, 2017	I	JA0073-JA0075
Findings of Fact, Conclusions of Law and Decree of Divorce, filed July 8, 2013	I	JA0014-JA0025
Findings of Fact, Conclusions of Law, and Order, filed October 11, 2013	I	JA0026-JA0027
Motion to Amend Decree of Divorce Nunc Pro Tunc; To Enforce Decree of Divorce and Related Relief, filed February 13, 2017	III	JA0277-JA0386
Notice of Appeal, filed March 22, 2018	II	JA0273-JA0276
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 1701 Empire Mine, LLC Melani Schulte, filed February 21, 2018	II	JA0219-JA0224
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to Cherish, LLC Melani Schulte, filed February 21, 2018	II	JA0225-JA0230

Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 1341 Minuet, LLC Melani Schulte, filed February 21, 2018	II	JA0231-JA0236
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 5524 Rock Creek, LLC Melani Schulte, filed February 21, 2018	II	JA0237-JA0242
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 5609 San Ardo, LLC Melani Schulte, filed February 21, 2018.	II	JA0243-JA0248
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 9521 Sierra Summit, LLC Melani Schulte, filed February 21, 2018	II	JA0249-JA0254
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to Melani Schulte, filed February 21, 2018	II	JA0255-JA0260
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 8216 Peaceful Canyon, LLC Melani Schulte, filed February 21, 2018	II	JA0261-JA0266
Notice of Entry of Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 2861 Marathon, LLC Melani Schulte, filed February 21, 2018	II	JA0267-JA0272

Notice of Motion and Order for an Order Shortening Time for a Hearing on the Verified Petition for an Order Directing Payment From ERRF Fund to Melani Schulte as Successor in Interest to 5609 San Ardo, LLC or in the Alternative a Hearing with Oral Arguments Set in the Ordinary Course, filed November 17, 2017	I	JA0127-JA0137
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 1701 Empire Mine, LLC Melani Schulte, filed February 20, 2018	I	JA0183-JA0186
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to Cherish, LLC Melani Schulte, filed February 20, 2018	I	JA0187-JA190
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 1341 Minuet, LLC Melani Schulte, filed February 20, 2018	I	JA0191-JA0194
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 5524 Rock Creek, LLC Melani Schulte, filed February 20, 2018	II	JA0195-JA0198
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 5609 San Ardo, LLC Melani Schulte, filed February 20, 2018	II	JA0199-JA0202
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 9521 Sierra Summit, LLC Melani Schulte, filed February 20, 2018	II	JA0203-JA0206

Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to Melani Schulte Melani Schulte, filed February 20, 2018	II	JA0207-JA0210
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 8216 Peaceful Canyon, LLC Melani Schulte, filed February 20, 2018	II	JA0211-JA0214
Order Directing Payment Out of the Education Research and Recovery Fund and to the Successor in Interest to 2861 Marathon, LLC Melani Schulte, filed February 20, 2018	II	JA0215-JA0218
Order From April 3, 2017 Hearing Granting Final Judgment Against William R. Schulte, filed May 18, 2017	I	JA0044-JA0054
Petitioners' Consolidated Reply to Real Estate Division's Answer in Opposition to Verified Petitions, filed November 28, 2017	I	JA0142-JA0148
Real Estate Division's Answer in Opposition to Verified Petitions for an Order Directing Payment Out of the Education Research Recovery Fund, filed November 16, 2017	I	JA0138-JA0141
Transcript Re: All Pending Motions, taken November 30, 2017	I	JA0149-JA0182
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0082-JA0086
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0087-JA0091

Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0092-JA0096
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0097-JA0101
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0102-JA0106
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0107-JA0111
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0112-JA0116
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0117-JA0121
Verified Petition for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive, filed October 25, 2017	I	JA0122-JA0126

Dated: February 12, 2019.

AARON D. FORD
Attorney General

By: / s / Donald J. Bordelove
Donald J. Bordelove (Bar. No. 12561)

CERTIFICATE OF SERVICE

I certify that I am an employee of the Office of the Attorney General, State of Nevada, and that on 12th day of February, 2019, I filed this completed docketing statement via this Court's electronic filing system.

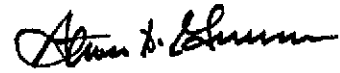
The following participants in this case are registered electronic filing systems users and will be served electronically:

Amberlea Davis, Esq.
Law Offices of Amberlea Davis
415 S. Sixth Street, Suite 300
Las Vegas, NV 89101

The following participants in this case are not registered electronic filing systems users and will be served via United States mail, first class, postage prepaid:

William R. Schulte
8252 Nice Court
Las Vegas, NV 89129

/ s / Marilyn Millam
an employee of the
Office of the Nevada Attorney General



CLERK OF THE COURT

1 **COMD**
2 JOHN T. KELLEHER, ESQ.
3 Nevada Bar No. 6012
4 KELLEHER & KELLEHER, LLC
5 807 South Seventh Street
6 Las Vegas, Nevada 89101
7 Telephone (702) 384-7494
8 Facsimile (702) 384-7545
9 kelleherjt@aol.com

6 Attorney for Plaintiff

7
8 **DISTRICT COURT**
9 **CLARK COUNTY, NEVADA**

10 MELANI SCHULTE,

11 Plaintiff,

12 v.

13 WILLIAM R. SCHULTE,

14 Defendant.

CASE NO.: D - 1 2 - 4 5 8 8 0 9 - D
DEPT. NO.: L

15 **COMPLAINT FOR DIVORCE**

16 COMES NOW Plaintiff, Melani Schulte, by and through her attorney of record, John T.
17 Kelleher, Esq., of the law firm of Kelleher and Kelleher, LLC, and complains of the Defendant as
18 follows:

19 **I.**

20 That Plaintiff, for a period of more than six weeks immediately preceding commencement
21 of this action, has been and now is an actual, bona fide resident of the County of Clark State of
22 Nevada; and that during all said period of time, Plaintiff has resided in and been physically
23 present and domiciled in said Clark County, Nevada.

24 **II.**

25 Plaintiff and Defendant were duly and lawfully married in Reno, Nevada, on August 2,
26 1987, and ever since said date, have been and now are, husband and wife.

27 ///

28 ///

LAW OFFICES
KELLEHER & KELLEHER LLC
807 SOUTH SEVENTH STREET
LAS VEGAS, NEVADA 89101
(702) 384-7494
Facsimile (702) 384-7545

JA0001

III.

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V.

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VII.

VIII.

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X.

There is community or jointly owned property of the parties to be adjudicated by the Court as follows: the parties should equally divide all community or jointly owned property. The full extent of the parties' property is unknown to the Plaintiff at this time, and Plaintiff prays leave of the Court to amend her Complaint to insert the same when they have become known to her or at the time of trial in this matter. Plaintiff requests that this Court make a fair and equitable distribution of all assets.

XI.

There are community debts and obligations of the parties to be adjudicated by the Court as follows: the parties should equally divide all the community or jointly owned property. The exact extent of the parties' debt is unknown to the Plaintiff at this time, and Plaintiff prays leave of the Court to amend her Complaint to insert the same when they have become known to her or at the time of trial in this matter.

XII.

There is separately owned property of the Plaintiff. The full extent of the Plaintiff's property is unknown to the Plaintiff at this time, and Plaintiff prays leave of the Court to amend her Complaint to insert the same when they have become known to her or at the time of trial in this matter. Plaintiff requests that this Court confirm all of her separate property assets upon her.

XIII.

That it has been necessary for Plaintiff to engage in the services of an attorney to prosecute this action, which should be paid by Defendant.

XIV.

That since the marriage of the parties, they have become, and now are, incompatible, so as to render it impossible for them to continue as husband and wife.

WHEREFORE, Plaintiff prays for judgment as follows:

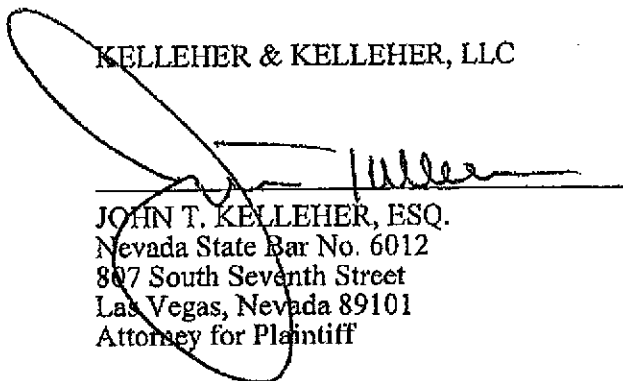
1. That the bonds of matrimony now and heretofore existing between Plaintiff and Defendant be dissolved, set aside, and held for naught, and that the parties hereto, and each of them, be restored to their single status;

2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]

- 1 [REDACTED]
- 2
- 3 7. [REDACTED]
- 4 8. That all community property and debts be evenly divided by the parties;
- 5 9. That any separately owned property of the Plaintiff be confirmed as hers;
- 6 10. That Defendant be ordered to pay Plaintiff's attorney's fees and costs; and
- 7 11. For such other and further relief as the Court may deem just and proper in the
- 8 premises.

9 DATED this 10 February, 2012.

10 KELLEHER & KELLEHER, LLC

11 
12 JOHN T. KELLEHER, ESQ.
13 Nevada State Bar No. 6012
14 807 South Seventh Street
15 Las Vegas, Nevada 89101
16 Attorney for Plaintiff

VERIFICATION

STATE OF NEVADA }
COUNTY OF CLARK } ss.

MELANI SCHULTE, being first duly sworn on oath, deposes and says:

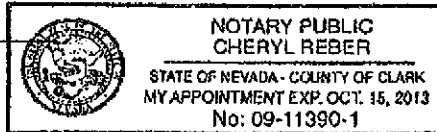
That she is the Plaintiff in the above-entitled matter; that she has read the above and foregoing Complaint for Divorce and knows the contents thereof; that the same are true of her knowledge except for those matters stated upon information and belief, and as to those matters, she believes them to be true.

Melani Schulte

MELANI SCHULTE

SUBSCRIBED AND SWORN to before me
this 10 day of February, 2012.

[Signature]
NOTARY PUBLIC in and for
said County and State.



FILED

BEFORE THE REAL ESTATE COMMISSION JUN 11 2013

STATE OF NEVADA

REAL ESTATE COMMISSION

GAIL J. ANDERSON, Administrator,
REAL ESTATE DIVISION, DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Case No. RES 12-06-30-400

Petitioner,

vs.

W. R. SCHULTE,

Respondent.

COMPLAINT AND NOTICE OF HEARING

The Real Estate Division of the Department of Business and Industry, State of Nevada ("Division"), by and through its counsel, Catherine Cortez Masto, Attorney General of the State of Nevada, and Christopher Eccles, Deputy Attorney General, hereby notifies Respondent W. R. Schulte ("Respondent") of an administrative hearing before the Nevada Real Estate Commission ("Commission") which 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 and/or NRS 645.630 and/or NRS 622.400, and the discipline to be imposed, if violations of law are proven.

JURISDICTION

Respondent was at all relevant times mentioned in this Complaint licensed as a real estate broker by the Division under license number B.0026569.CORP, and as a property manager under permit number PM.0126569.BKR, and is therefore subject to the jurisdiction of the Division, the Commission, and the provisions of NRS Chapter 645 and NAC Chapter 645.

FACTUAL ALLEGATIONS

1. Respondent, at the relevant times mentioned in this Complaint, was licensed as a real estate broker, license number B.0026569.CORP from January 4 1992, and the license expired, not renewed on December 31, 2012, and is currently inactive.

1 2. Respondent, at the relevant times mentioned in this Complaint, was licensed as
2 a property manager under permit number PM.0126569.BKR from June 15, 1999 to December
3 31, 2012, and the permit expired, not renewed on December 31, 2012, and is currently closed.

4 3. Respondent is subject to the jurisdiction of the Division, the Commission, and
5 the provisions of NRS Chapter 645 and NAC Chapter 645.

6 4. Respondent, at the relevant times mentioned in this Complaint, was the real
7 estate broker and property manager for Sabreco, Inc., a Nevada corporation ("Sabreco").

8 5. On July 10, 2012, Melani Schulte filed a Statement of Fact with the Division
9 regarding Respondent's involvement in misappropriating client money.

10 6. A Forensics Expert Witness Report dated June 18, 2012, provides that the total
11 expected Sabreco security deposits for 180 properties is \$279,908, but since the ending
12 balance in the security deposit trust account (ending 2994) was \$75,750.14, there is an
13 apparent deficiency of at least 204,157.86.

14 7. Respondent had signatory authority over the Sabreco security deposit trust
15 account, operating account (ending 3000) and general account.

16 8. The Division received a Statement of Fact from Debra Dillon on August 2, 2012.
17 Dillon owns real property located at 11062 Zarod Rd., Las Vegas NV 89135. Sabreco
18 managed Dillon's property. The rent check that Respondent sent to Dillon for July 2012 was
19 returned for insufficient funds. Dillon is owed approximately \$2,650.

20 9. The Division received a Statement of Fact from Thomas and Jeanne Molina on
21 August 10, 2012. Molina owns real property located at 9379 Rowland Heights Ct., Las Vegas,
22 NV 89178. Sabreco managed Molina's property. The rent check that Respondent sent to
23 Molina for July 2012 was returned for insufficient funds. Molina is owed approximately
24 \$1,320.

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1 10. The Division received a Statement of Fact from Kevin and Eva Lowe on August
2 20, 2012. Lowe owns real property located at 4719 Grand Ridge Ct., Las Vegas, NV 89147.
3 Sabreco managed Lowe's property. The rent check that Respondent sent to Lowe for July
4 2012 was returned for insufficient funds. Lowe is owed approximately \$1,323 in rent, a \$1,700
5 security deposit, and a \$250 maintenance reserve.

6 11. The Division received a Statement of Fact from Bertran Wagnor on August 27,
7 2012. Molina owns four real properties located in Las Vegas at: 1830 N. Buffalo Dr., #2072;
8 794 Calico Vista Blvd., #207; 2451 N. Rainbow Blvd., #1158; and 6400 N. Charleston Blvd.,
9 #2004. Sabreco managed Wagnor's properties. Wagnor is owed approximately \$7,015 in
10 rent, security deposits, and maintenance reserve.

11 12. The Division received a Statement of Fact from Nathan and Judy Wagnor on
12 August 29, 2012. They own two real properties in Las Vegas located at: 7624 Pacific Hills,
13 Bldg. 39, Unit 104; and 2451 N. Rainbow Blvd., Bldg. 18, Unit 1120. Sabreco managed the
14 Wagnor's properties. The Wagnors are owed approximately \$4,375 in rent, security deposits,
15 and maintenance reserve.

16 13. The Division received a Statement of Fact from Steven Rogers on September
17 13, 2012. Rogers owns four real properties in Las Vegas located at: 1249 Pacific Terrace
18 Dr.; 8321 Sky Canyon; 8245 Cactus Canyon; and 3821 Birchview. Sabreco managed Rogers'
19 properties. Respondent sent several rent checks to Rogers that were returned for insufficient
20 funds. Rogers is owed approximately \$5,670 in rent, security deposits, and maintenance
21 reserve.

22 14. The Division received a Statement of Fact from Charles Wells on September
23 20, 2012. Wells owns two real properties in Las Vegas located at: 1920 Ivy Point, and 11057
24 Desert Dove. Sabreco managed the Wells' properties. Wells is owed approximately \$3,999
25 in rent, security deposits, and maintenance reserve.

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VIOLATIONS

Respondent has committed the following violations of law:

25. Respondent violated NRS 645.630(1)(f) by failing to remit money to Debra Dillon.

1 26. Respondent violated NRS 645.630(1)(f) by failing to remit money to Thomas and
2 Jeanne Molina.

3 27. Respondent violated NRS 645.630(1)(f) by failing to remit money to Kevin and
4 Eva Lowe.

5 28. Respondent violated NRS 645.630(1)(f) by failing to remit money to Bertran
6 Wagnor.

7 29. Respondent violated NRS 645.630(1)(f) by failing to remit money to Nathan and
8 Judy Wagnor.

9 30. Respondent violated NRS 645.630(1)(f) by failing to remit money to Steven
10 Rogers.

11 31. Respondent violated NRS 645.630(1)(f) by failing to remit money to Charles
12 Wells.

13 32. Respondent violated NRS 645.630(1)(f) by failing to remit money to Nancy
14 Shapiro and Joe McIntyre.

15 33. Respondent violated NRS 645.630(1)(f) by failing to remit money to Dimitrios
16 Demopoulos

17 34. Respondent violated NRS 645.630(1)(g)(1) by failing to balance Sabreco's trust
18 account at least monthly.

19 35. Respondent violated NRS 645.630(1)(g)(2) by failing to submit to the Division an
20 annual accounting of Sabreco's trust account for the year 2009.

21 36. Respondent violated NRS 645.630(1)(g)(2) by failing to submit to the Division an
22 annual accounting of Sabreco's trust account for the year 2010.

23 37. Respondent violated NRS 645.630(1)(g)(2) by failing to submit to the Division an
24 annual accounting of Sabreco's trust account for the year 2011.

25 38. Respondent violated NRS 645.633(1)(h) pursuant to NAC 645.605(1) and (6) by
26 his grossly negligent or incompetent actions.

27 39. Respondent violated NAC 645.600(1) by failing to supervise his bookkeeper and
28 / or failing to supervise the operation of his business.

DISCIPLINE AUTHORIZED

40. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose an administrative fine of up to \$10,000 per violation against Respondent and further to suspend, revoke or place conditions on the license of Respondent.

41. 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.

42. 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 July 16, 2013 commencing at 8:30 a.m., or as soon thereafter as the Commission is able to hear the matter, at The Grant Sawyer Building, 555 East Washington Avenue, Room 4401, Las Vegas, Nevada 89101 and via video conference to The Legislative Building, 401 South Carson Street, Room 3137, Carson City, Nevada 89701. The meeting will continue on July 17, 2013 at The Grant Sawyer Building, 555 East Washington Avenue, Room 4401, Las Vegas, Nevada 89101 and via video conference to The Legislative Building, 401 South Carson Street, Room 3137, Carson City, Nevada 89701, and on July 18, 2013 at The Grant Sawyer Building, Gaming Control Board, 555 E. Washington Avenue, Room 2450, Las Vegas, Nevada 89101 and via video conference to The Gaming Control Board, 1919 College Parkway, Carson City, Nevada 89706.

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 July 16 through July 18, 2013. Thus, your hearing may be continued until later in the day or

1 from day to day. It is your responsibility to be present when your case is called. If you are not
2 present when your hearing is called, a default may be entered against you and the
3 Commission may decide the case as if all allegations in the complaint were true. If you need
4 to negotiate a more specific time for your hearing in advance because of coordination with out
5 of state witnesses or the like, please call Rebecca Hardin, Commission Coordinator (702)
6 486-4074.

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

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

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

25 The purpose of the hearing is to determine if the Respondent has violated NRS 645
26 and/or NAC 645 and if the allegations contained herein are substantially proven by the
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1 evidence presented and to further determine what administrative penalty is to be assessed
2 against the RESPONDENT, if any, pursuant to NRS 645.633 and/or NRS 645.630.

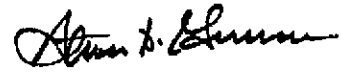
3 DATED this 11th day of June, 2013.

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

7 By: Gail J. Anderson
8 Gail J. Anderson, Administrator
9 2501 East Sahara Avenue
10 Las Vegas, Nevada 89104-4137
11 (702) 486-4033

12 CATHERINE CORTEZ MASTO
13 Attorney General

14 By: Christopher Eccles
15 Christopher Eccles
16 Deputy Attorney General
17 555 East Washington Ave., Ste. 3900
18 Las Vegas, Nevada 89101
19 (702) 486-3105
20 Attorneys for Real Estate Division
21
22
23
24
25
26
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28


CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA

MELANI SCHULTE,

Plaintiff,

Case No. D-12-458809-D

vs.

Department I

WILLIAM R. SCHULTE,

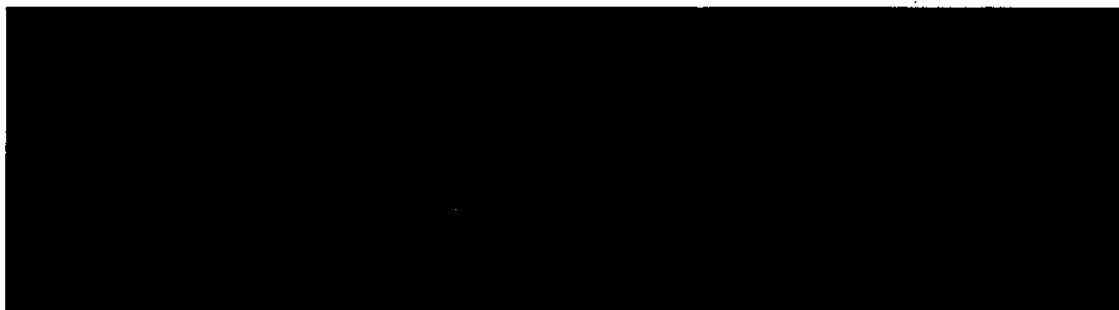
Defendant.

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND DECREE OF DIVORCE**

1. The trial on property and debts and the decision on Defendant William R. Schulte's Motion for Order Show Cause were conducted on May 28, 2013 and June 5, 2013.
2. The Court took the matter under advisement and this Decision and Order follows.

ABSOLUTE DECREE OF DIVORCE GRANTED

3. IT IS HEREBY ORDERED, ADJUDGED AND DECREED that an ABSOLUTE DECREE OF DIVORCE is GRANTED to the parties and each of them shall be restored to the status of a single, unmarried person.



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7 **DIVISION OF COMMUNITY PROPERTY AND DEBTS**

8 **The SABRECO Business and SCHULTE Properties**

- 9 7. Sabreco was formed on November 21, 1989.
- 10 8. On March 8, 2011, the parties' Chapter 11 Reorganization was confirmed as
- 11 an Order by the U.S. Bankruptcy Court. Exhibit 16.
- 12 9. Joseph Leauanae, CPA was appointed by the Court to conduct a business
- 13 valuation and forensic accounting analysis on the parties' two community
- 14 property businesses, Sabreco and Schulte Properties.
- 15 10. Mr. Leauanae issued two reports to the Court dated June 18, 2012 and May
- 16 21, 2013. Exhibits 3 and 2, respectively.
- 17 11. Mr. Leauanae testified at trial as an expert witness.
- 18 12. The Court finds that Sabreco is community property. Mr. Leauanae testified
- 19 that Sabreco was merely a place of employment generating income for the
- 20 community. He concluded the business had no value.
- 21 13. The Court finds that Mr. Leauanae found a discrepancy of \$204,157.86
- 22 between the amount of security deposits that should have existed and what
- 23 actually was contained in Sabreco's security deposit account. The relevant
- 24 time period he looked at was January 2011 to March 2012.
- 25 14. William represented during these proceedings that a third party employee
- 26 embezzled from the business accounts. There is an ongoing investigation
- 27 with the Nevada Attorney General's Office and lawsuits have been filed
- 28 against Sabreco.
15. The Court previously held a contempt hearing and made findings that
- William was entrusted to run the daily operations of Sabreco. However, his
- management resulted in a discrepancy in excess of \$200,000.00 that went
- unaccounted.

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16. Ultimately, by the Fall of 2012, Melani took over Sabreco, which had over 180 customer accounts. She hired a licensed broker and created a new company to manage and oversee the remaining accounts after many customers withdrew and some of them filed lawsuits.
 17. Given the above, Melani would likely wind down the near defunct business.
 18. IT IS ORDERED, ADJUDGED AND DECREED, that Melani is awarded the Sabreco business, in its current state, as her sole and separate property. If any lawsuit judgments are issued against Sabreco arising from missing monies prior to Melani taking over in the Fall of 2012, and by his own express admission at trial, William shall be assigned those judgments and debts as his sole and separate debts if he is found liable as an individual. If Sabreco, as a business entity, is found liable, then the business shall bear those debts.
 19. As to Schulte Properties, the parties own 32 rental properties, which include the marital residence at 509 Canyon Greens, Las Vegas, Nevada. The Court finds Schulte Properties is a community property asset.
 20. William asserted a community interest in the value of the properties.
 21. Melani denied the 32 properties had positive equity.
 22. The Court finds the only evidence of the appraised fair market values of the 32 properties is listed in the parties' Chapter 11 Reorganization Order entered on March 8, 2011. Neither party sought formal appraisals for recent 2012 or 2013 values due to the high expense of conducting 32 individual appraisals.
 23. The Court finds all 32 real properties comprising Schulte Properties are upside down and have negative equity. Based on review of their appraised values in Exhibit 16 (the Order portion and not the Third Amended Proposed Joint Plan section), all secured and unsecured claims combined exceed the fair market appraised value.
 24. Both parties acknowledged at trial that formal appraisals were conducted on each of the 32 properties for purposes of submitting the values to the Bankruptcy Court. Therefore, the Court considered those values in the Bankruptcy Order as evidence of each property's fair market value as close to trial as possible.
 25. Mr. Leauanae, the Court's expert, concluded in his report that due to lack of adequate documentation and information, he was unable to value Schulte Properties.

1 26. Given that all 32 assets comprising Schulte properties are upside down in
2 value, AS OF THE DATE OF TRIAL, there is no community interest to
3 divide between the parties. The Court finds it irrelevant that the 32 properties
4 may rebound and grow in market value in the future because the Court must
5 measure the value of community assets as close to the date of trial as
6 possible. It is highly unlikely though that the real properties will achieve a
profitable value given that all secured and unsecured claims combined
exceeded the fair market value at the time of appraisal and for purposes of the
Chapter 11 bankruptcy.

7 27. Schulte Properties provides a source of income for Melani at the rate of
8 \$3,800.00 per month per her Financial Disclosure Form. William is still in
9 debt to Melani from the prior contempt evidentiary hearing as well as
10 substantial attorney's fees previously awarded to her. Given her financial
setbacks due to William's prior contempts, the Court also finds it equitable to
award Melani the Schulte Properties business.

11 28. IT IS ORDERED, ADJUDGED AND DECREED that Melani shall be
12 awarded Schulte Properties as her sole and separate property along with any
13 and all debts and encumbrances associated with the 32 real properties. There
14 still remain payments owed in the Bankruptcy Order to the secured creditors.
15 The Court is aware that both parties are both liable to the bankruptcy
16 creditors. However, with Melani being awarded the 32 properties as her sole
and separate property, she shall hold William harmless from any debts
associated with the 32 properties.

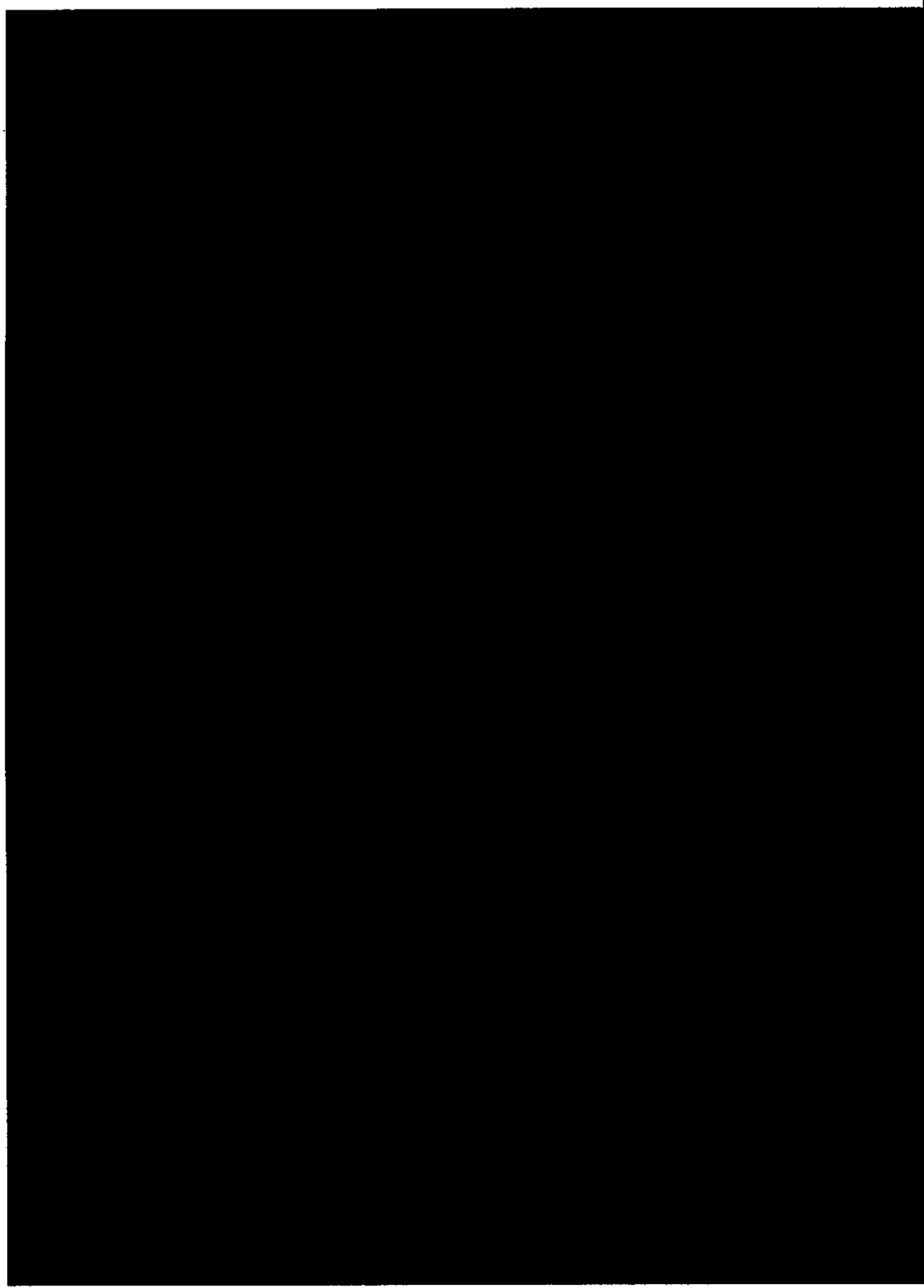
17 29. IT IS ORDERED, ADJUDGED AND DECREED that William shall sign all
18 Quitclaim Deeds on the 32 real properties. If he refuses to sign after 14 days
19 of being served and presented with the deeds, then the Clerk of Court shall be
directed to sign on William's behalf.

20 **Checks for Schulte Properties for Bank Fraud Reimbursement**

21 30. In her Pretrial Memorandum, Melani disclosed three checks totaling
22 \$1,800.00 plus one check in the amount of \$7,500.00 belonging to Schulte
Properties for bank fraud reimbursement.

23 31. IT IS ORDERED, ADJUDGED AND DECREED that Melani shall be
24 awarded the four checks totaling \$9,300.00 as her sole and separate property
25 because Schulte Properties is awarded to her solely. The checks belong to
26 Schulte Properties, and with Melani being awarded this business, she shall
27 retain the reimbursement checks and may apply the funds towards the
28 business debts.

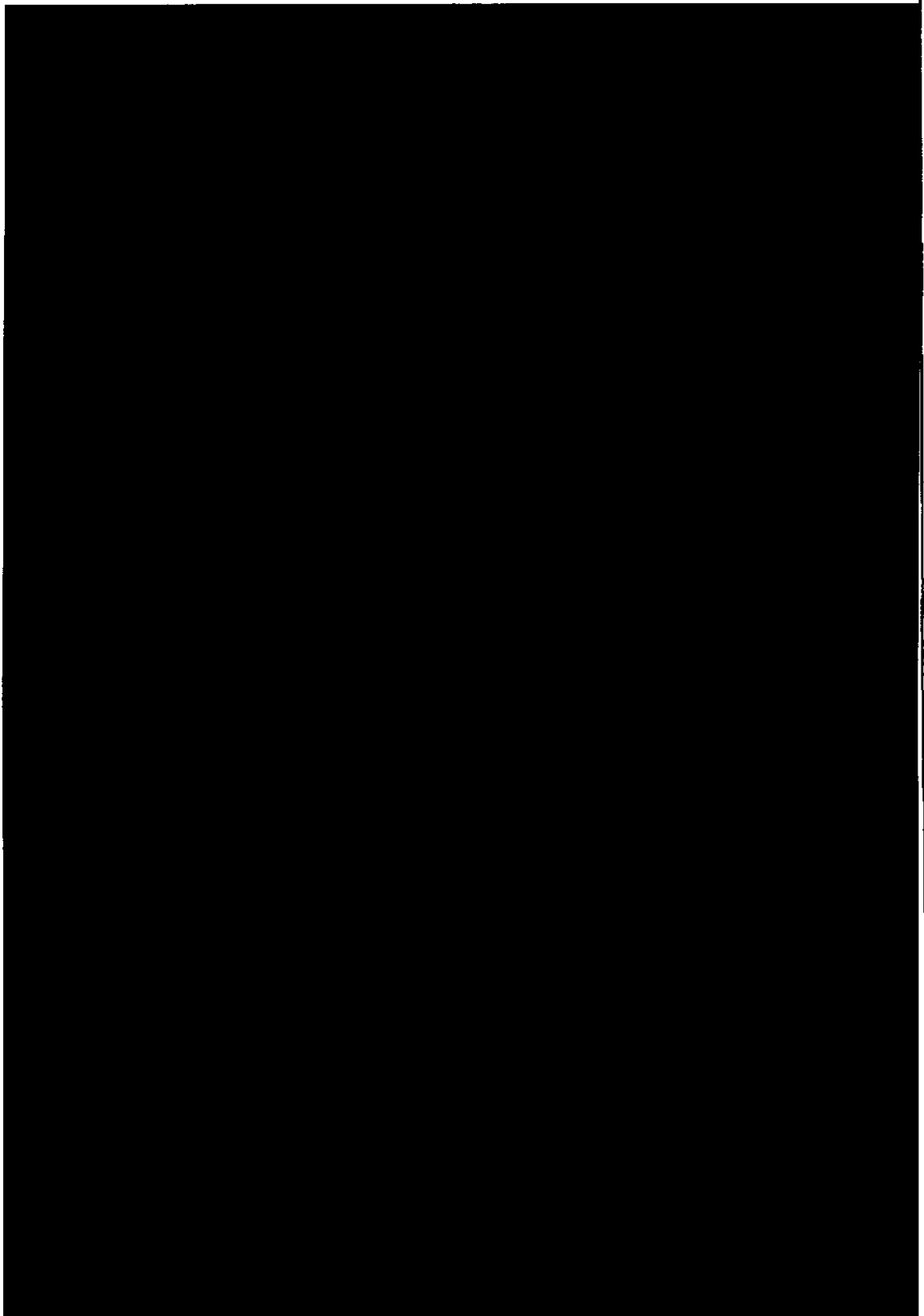
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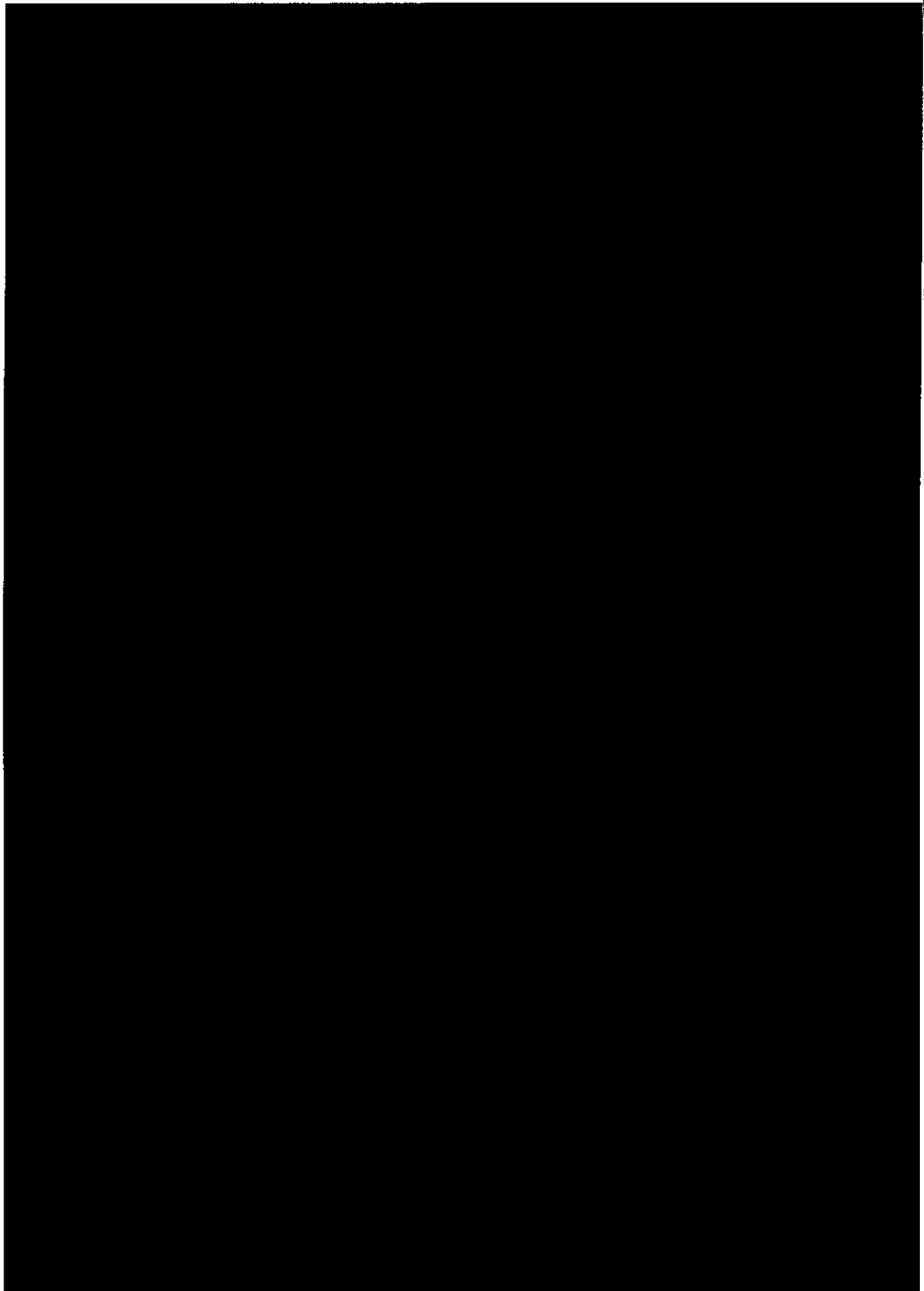
CHERYL B. MOSS
DISTRICT JUDGE

FAMILY DIVISION, DEPT. 1
LAS VEGAS NV 89101

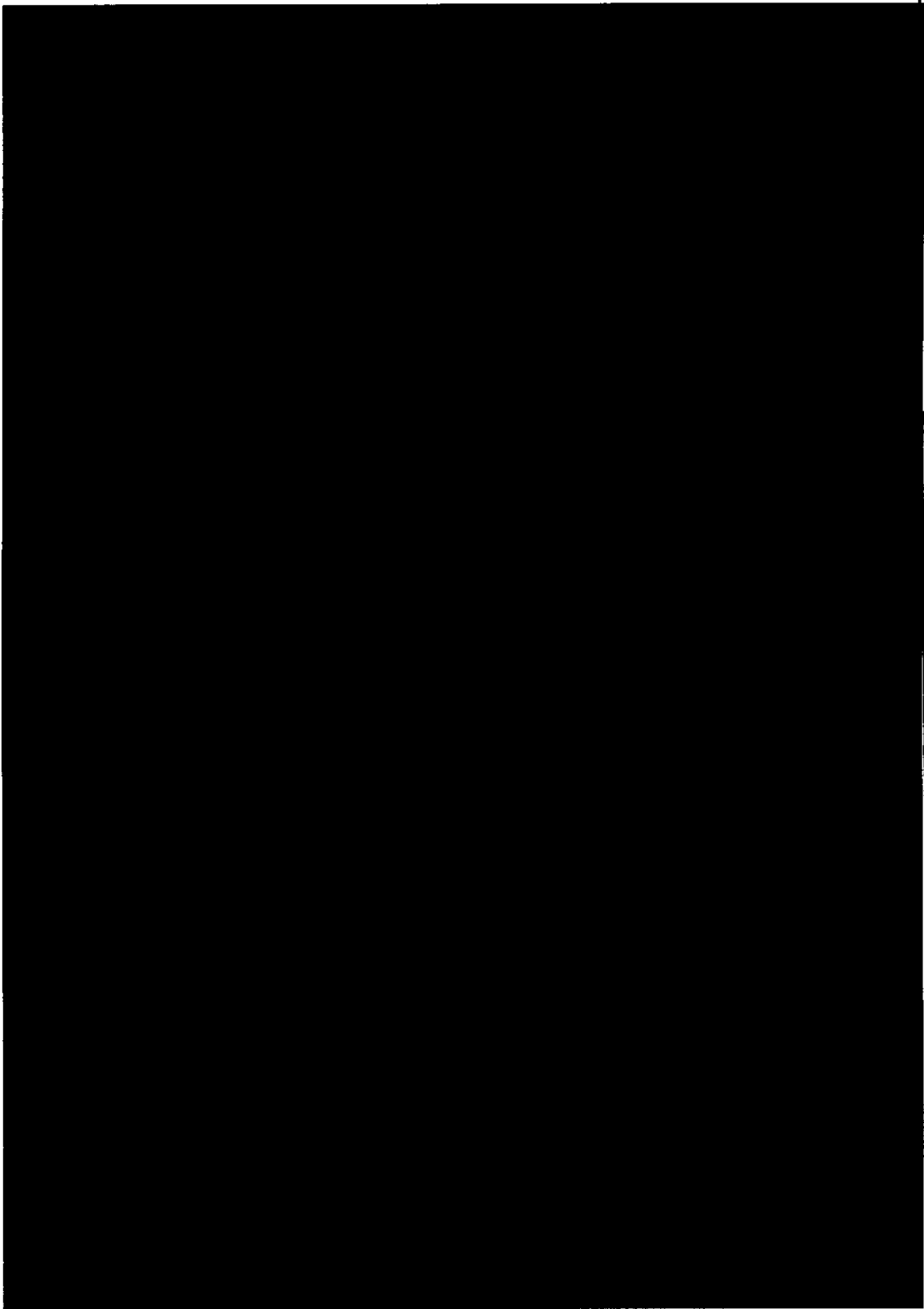
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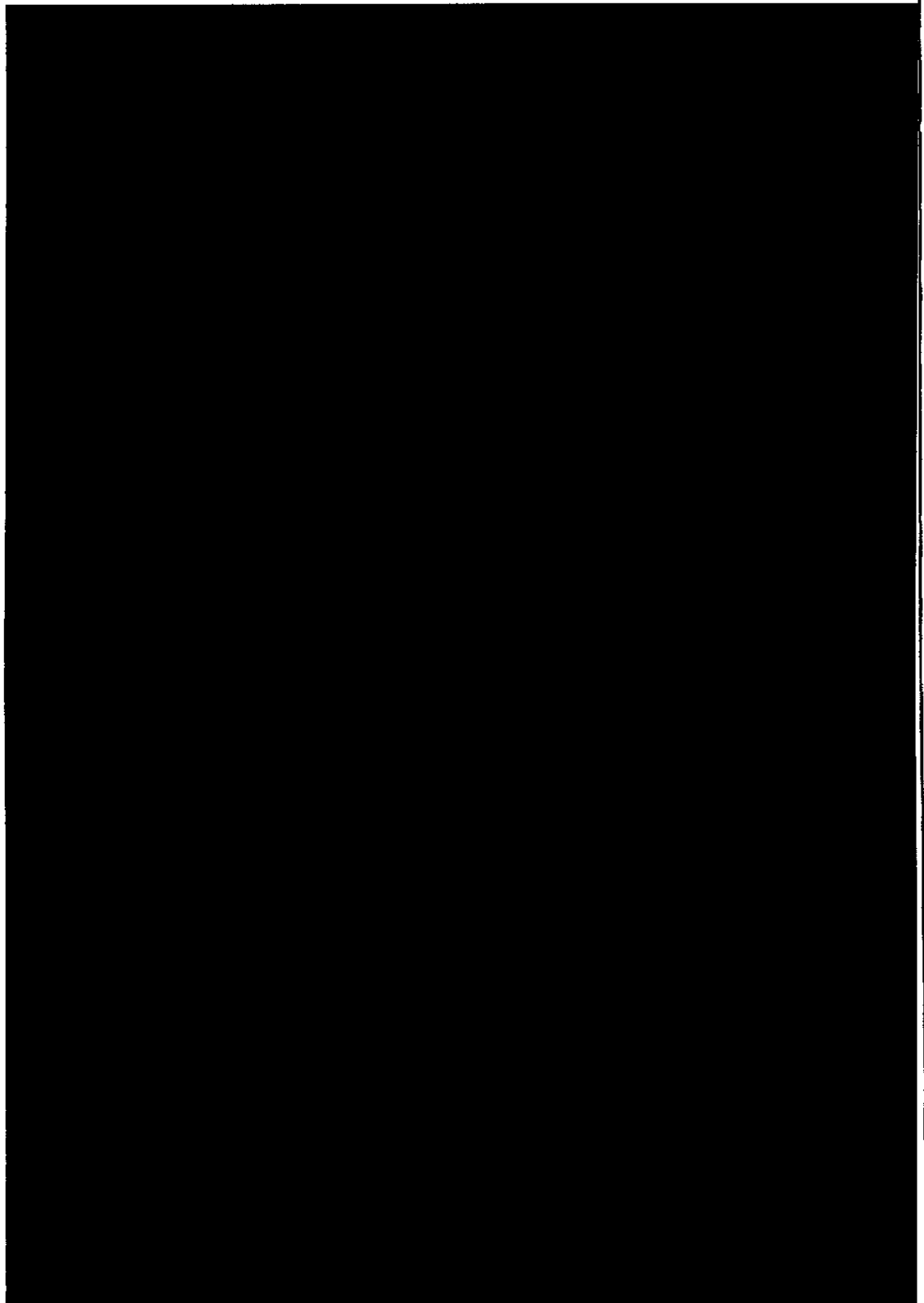
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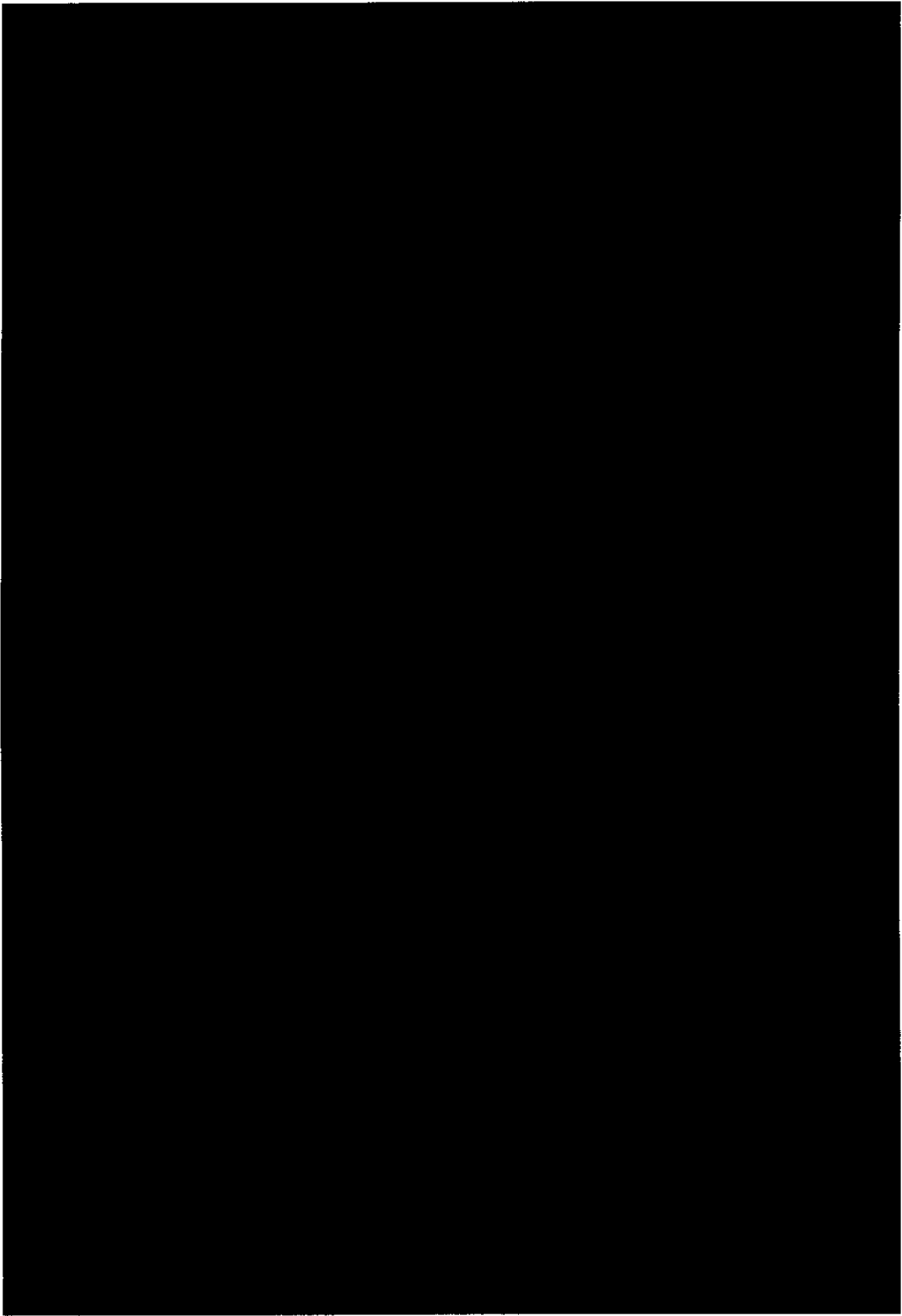
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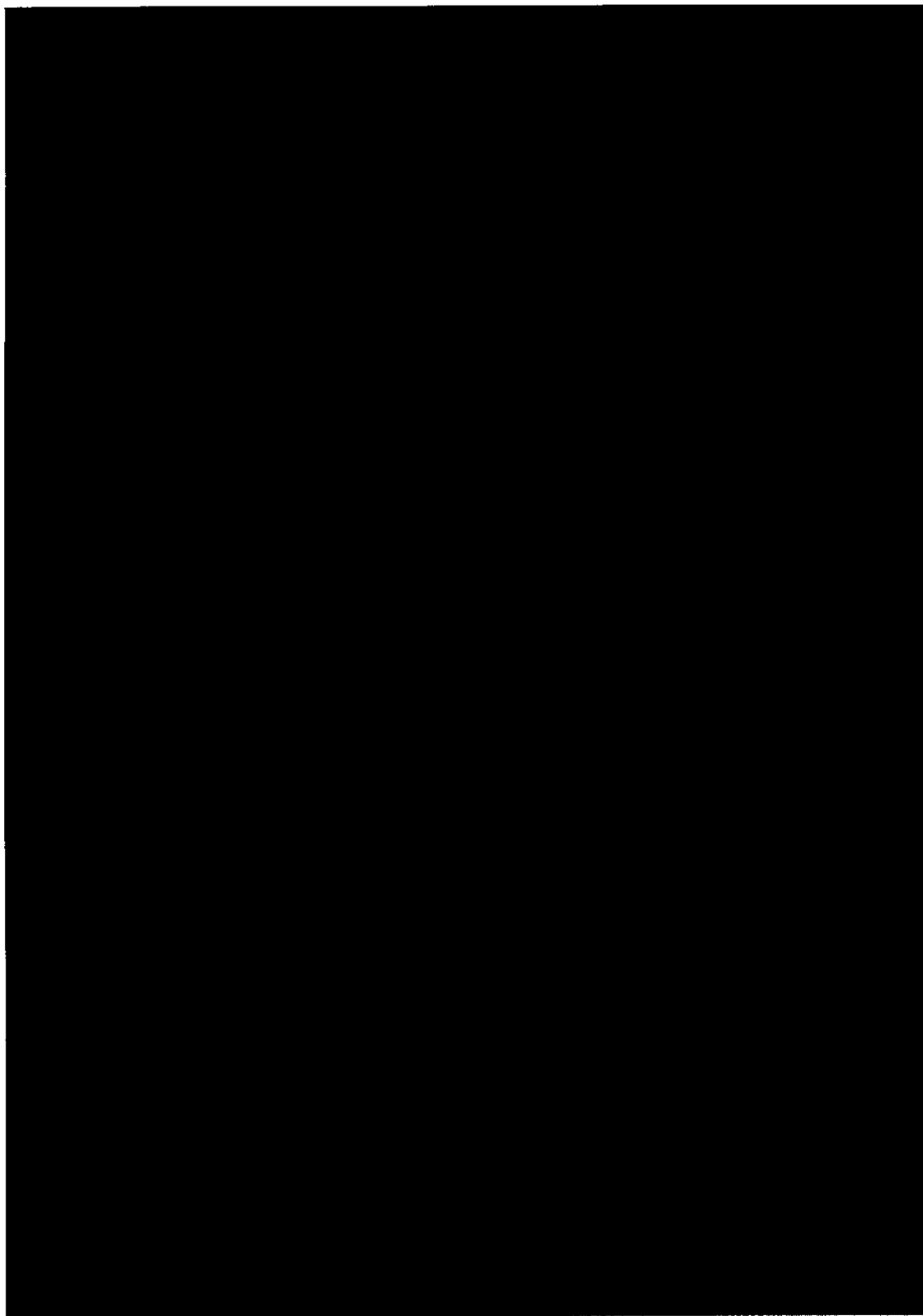
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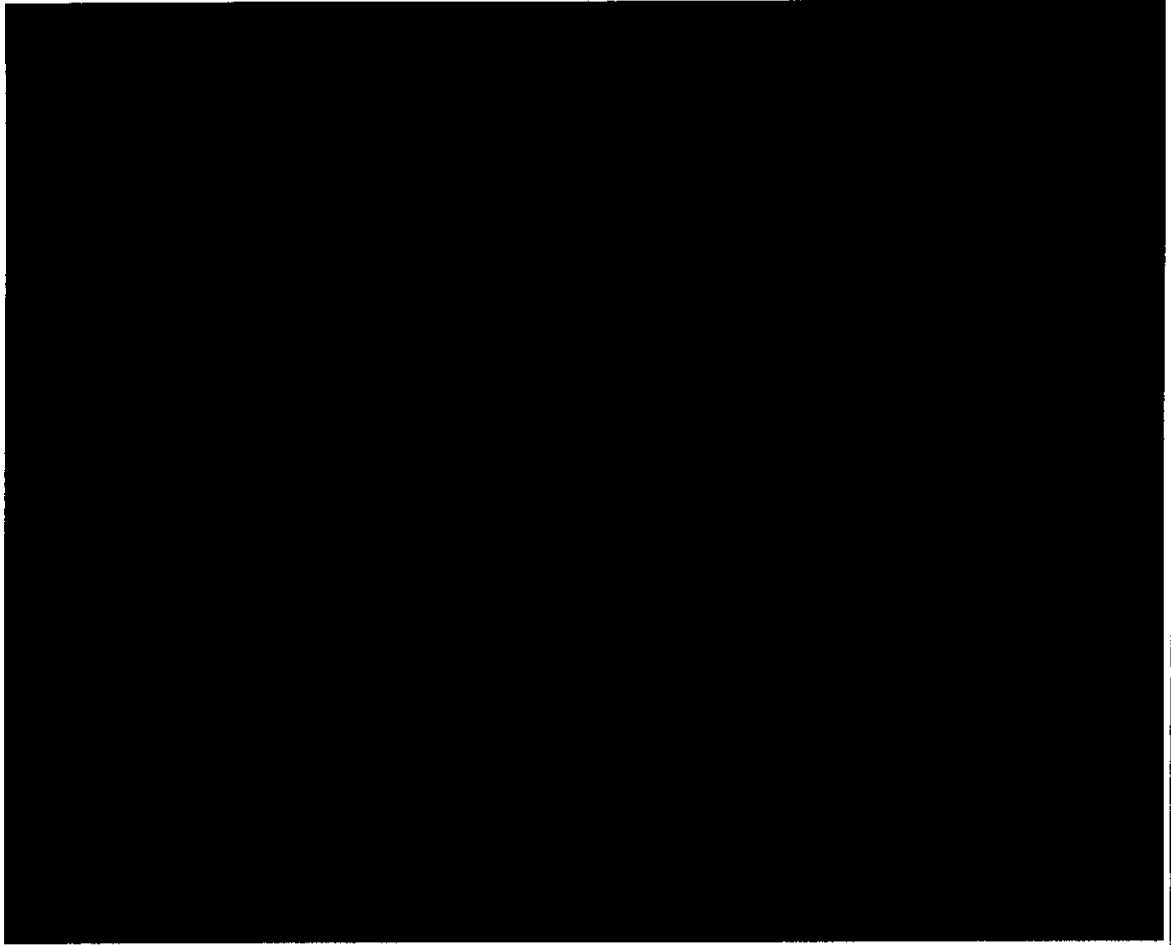
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SO ORDERED.

Dated this 8th day of July, 2013.


CHERYL B. MOSS
District Court Judge

CHERYL B. MOSS
DISTRICT JUDGE
FAMILY DIVISION, DEPT. I
LAS VEGAS NV 89101

OCT 11 2013

REAL ESTATE COMMISSION *R. H. Anderson*

BEFORE THE NEVADA REAL ESTATE COMMISSION

GAIL J. ANDERSON, Administrator,
REAL ESTATE DIVISION, DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Case No. RES 12-06-30-400

Petitioner,

**Findings of Fact,
Conclusions of Law, and
Order**

vs.

W. R. SCHULTE,

Respondent.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

A hearing on the above matter was held on July 16-18, 2013 before the Nevada Real Estate Commission (Commission). W. R. Schulte (Respondent) personally appeared and testified at the hearing. Respondent waived his right to legal counsel and entered into stipulations with the State. Christopher Eccles, Deputy Attorney General, appeared on behalf of the State.

After hearing the testimony and arguments, and having considered the evidence introduced and being fully advised, the Commission enters the following Findings of Fact, Conclusions of Law, and Order. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) Chapter 645, the Commission has legal jurisdiction and authority over this matter.

FINDINGS OF FACT

Based upon all the evidence and testimony presented during the hearing, the Commission finds that there is substantial evidence in the record to establish each of the following Findings of Fact:

1. State's Exhibit 1, stamped 1-193, was admitted into evidence by stipulation.
2. Respondent admitted allegations 1-23 in the Complaint for Disciplinary Action (Complaint).

...

3. Respondent admitted that he while he was the real estate broker for Sabreco, he had not ordered an outside audit since 1989.

4. After Respondent testified and argued his position, the State argued that the facts proved allegation 24 in the Complaint and all violations of law alleged in the Complaint.

CONCLUSIONS OF LAW

The Commission concludes by unanimous vote that:

5. Allegations 1-39 in the Complaint were proved.

ORDER

It is ORDERED, based on the foregoing, by unanimous vote of the Commission that:

6. The Respondent shall pay to the State of Nevada, Real Estate Division a total fine of \$77,079.08. The total fine reflects a fine of \$75,000.00 for committing the violations of law, plus \$2,079.08 for the Division's fees and costs. The total fine is due and payable in full within 90 calendar days of the below effective date of this Order.

7. The Respondent's property management permit and real estate licenses are hereby revoked on the below effective date of this Order.

8. The Division may institute debt collection proceedings for failure to timely pay the total fine, or any installment or portion thereof.

9. The Commission retains jurisdiction for correcting any errors that may have occurred in the drafting or issuance of this order.

This Order shall become effective on the 19th day of November, 2013.

Dated: This 11 day of October, 2013.

NEVADA REAL ESTATE COMMISSION

By: 
RICHARD JOHNSON, PRESIDENT

- Non-Trial Dispositions:
- ☐ Other
- ☐ Dismissed - Want of Prosecution
- ☐ Involuntary (Standby) Dismissal
- ☐ Default Judgment
- ☐ Transferred
- ☐ Disposed After Trial Start
- Trial Dispositions:
- ☐ Judgment Reached by Trial
- Settled/Withdrawn:
- ☐ Without Judicial Conf/Hrg.
- ☐ With Judicial Conf/Hrg.
- ☐ By ADR

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 HENDERSON, NEVADA 89012
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 Facsimile (702) 384-7545

DECD
JOHN T. KELLEHER, ESQ.
 Nevada Bar No. 6012
KELLEHER & KELLEHER, LLC
 40 S. Stephanie Street, Suite #201
 Henderson, Nevada 89012
 Telephone (702) 384-7494
 Facsimile (702) 384-7545
 kelleherjt@aol.com

Attorney for Plaintiff

DISTRICT COURT
CLARK COUNTY, NEVADA

MELANI SCHULTE,

Plaintiff,

v.

WILLIAM R SCHULTE,

Defendant.

CASE NO.: D-12-458809-D
 DEPT. NO.: J

AMENDED DECREE OF DIVORCE NUNC PRO TUNC

1. The trial on property and debts and the decision on Defendant William R. Schulte's Motion for Order Show Cause were conducted on May 28, 2013 and June 5, 2013.
2. The Court took the matter under advisement and this Decision and Order follows.

ABSOLUTE DECREE OF DIVORCE GRANTED

3. IT IS HEREBY ORDERED, ADJUDGED AND DECREED that an ABSOLUTE DECREE OF DIVORCE is GRANTED to the parties and each of them shall be restored to the status of a single, unmarried person.



///

FILED IN OPEN COURT
 APR 13 2017
 STEVEN D. GRIERSON
 CLERK OF THE COURT
 BY JEFFREYANN ROUSE DEPUTY

DIVISION OF COMMUNITY PROPERTY AND DEBTS

The SABRECO Business and SCHULTE Properties

7. Sabreco was formed on November 21, 1989.
8. On March 8, 2011, the parties' Chapter 11 Reorganization was confirmed as an Order by the U.S. Bankruptcy Court. Exhibit 16.
9. Joseph Leauanae, CPA was appointed by the Court to conduct a business valuation and forensic accounting analysis on the parties' two community property businesses, Sabreco and Schulte Properties.
10. Mr. Leauanae issued two reports to the Court dated June 18, 2012 and May 21, 2013. Exhibit 3 and 2, respectively.
11. Mr. Leauanae testified at trial as an expert witness.
12. The Court finds that Sabeco is community property. Mr. Leauanae testified that Sabreco was merely a place of employment generating income for the community. He concluded the business had no value.
13. The Court finds that Mr. Leauanae found a discrepancy of \$204,157.86 between the amount of security deposits that should have existed and what actually was contained in Sabreco's security deposit account. The relevant time period he looked at was January 2011, to March 2012.
14. William represented during these proceedings that a third party employee embezzled from the business accounts. There is an ongoing investigation with the Nevada Attorney General's Office and lawsuits have been filed against Sabreco.

15. The Court previously held a contempt hearing and made findings that William was entrusted to run the daily operations at Sabreco. However, his management resulted in a discrepancy in excess of \$200,000.00 that went unaccounted.
16. Ultimately, by the Fall of 2012, Melani took over Sabreco, which had over 180 customer accounts. She hired a licensed broker and created a new company to manage and oversee the remaining accounts after many customers withdrew and some of them filed lawsuits.
17. Given the above, Melani would likely wind down the near defunct business.
18. IT IS ORDERED, ADJUDGED AND DECREED, that Melani is awarded the Sabreco business, in its current state, as her sole and separate property. If any lawsuit judgments are issued against Sabreco arising from the missing monies prior to Melani taking over on October 12, 2012, and by his own express admission at trial, William shall be assigned those judgments and debts as his sole and separate debts if he is found liable as an individual. If Sabreco, as a business entity, is found liable, then the business shall bear those debts.
Defendant should be held solely and personally liable for any and all debts or liabilities if arising from his fraud, misrepresentation and deceit as a broker of Sabreco.
If Sabreco, as a business entity, is found liable for any business debts arising out of Defendant's mismanagement prior to Melani taking over in the Fall of 2012, then William R. Schulte or Sabreco shall bear those debts and Melani will not be responsible for, or be held personally liable for those debts.
19. As to Schulte Properties, the parties own 32 rental properties, which include the marital residence at 509 Canyon Greens, Las Vegas, Nevada. The Court finds Schulte Properties is a community property asset.
20. William asserted a community interest in the value of the properties.
21. Melani denied the 32 properties had positive equity.
22. The Court finds the only evidence of the appraised fair market values of the 32

- 1 properties is listed in the parties' Chapter 11 Reorganization Order entered on
2 March 8, 2011. Neither party sought formal appraisals for recent 2012 or 2013
3 values due to the high expense of conducting 32 individual appraisals.
- 4 23. The Court finds all 32 real properties comprising Schulte Properties are upside
5 down and have negative equity. Based on review of their appraised values in
6 Exhibit 16 (the Order portion and not the Third Amended Proposed Joint Plan
7 section), all secured and unsecured claims combined exceed the fair market
8 appraised value.
- 9 24. Both parties acknowledged at trial that formal appraisals were conducted on each
10 of the 32 properties for purposes of submitting the values to the Bankruptcy Court.
11 Therefore, the Court considered those values in the Bankruptcy Order as evidence
12 of each property's fair market value as close to trial as possible.
- 13 25. Mr. Leauanae, the Court's expert, concluded in his report that due to lack of
14 adequate documentation and information, he was unable to value Schulte
15 Properties.
- 16 26. Given that all 32 assets comprising Schulte Properties are upside down in value,
17 AS OF THE DATE OF THE TRIAL, there is no community interest to divide
18 between the parties. The Court finds it irrelevant that the 32 properties may
19 rebound and grow in market value in the future because the Court must measure
20 the value of community assets as close to the date of trial as possible. It is highly
21 unlikely though that the real properties will achieve a profitable value given that all
22 secured and unsecured claims combined exceeded the fair market value at the time
23 of the appraisal and for purposes of the Chapter 11 bankruptcy.
- 24 27. Schulte Properties provides a source of income for Melani at the rate of \$3,800.00
25 per month per her Financial Disclosure Form. William is still in debt to Melani
26 from the prior contempt evidentiary hearing as well as substantial attorney's fees
27 previously awarded to her. Given her financial setbacks due to William's prior
28 contempts, the Court also finds it equitable to award Melani the Schulte Properties

business.

28. IT IS ORDERED, ADJUDGED AND DECREED that Melani shall be awarded Schulte Properties as her sole and separate property along with any and all debts and encumbrances associated with the 32 real properties. There still remain payments owed in the Bankruptcy Order to the secured creditors. The Court is aware that both parties are both liable to the bankruptcy creditors. However, with Melani being awarded the 32 properties as her sole and separate property, she shall hold William harmless from any debts associated with the 32 properties.

The 32 properties are as follows:

1. 9500 Aspen Glow Dr., Las Vegas NV 89134-0134 APN: 138-19-515-038
2. 2460 Avenida Cortes, Henderson NV 89074-6349 APN: 178-19-110-070
3. 4710 Brently Pl., Las Vegas NV 89122-7588 APN: 161-22-710-013
4. 7873 Bridgefield Ln., Las Vegas NV 89147-5099 APN: 163-21-617-059
5. 509 Canyon Greens Dr., Las Vegas NV 89144 APN: 138-30-712-004
6. 3322 Cheltenham St., Las Vegas NV 89129-7227 APN: 138-08-810-124
7. 3383 Cloverdale Ct., Las Vegas NV 89117-3951 APN: 163-16-515-031
8. 1624 Desert Canyon Ct., Las Vegas NV 89128-7900 APN: 138-21-415-018
9. 3729 Discovery Creek Ave., North Las Vegas NV 89031 APN: 124-03-710-098
10. 1392 Echo Falls Ave., Las Vegas NV 89123-6377 APN: 177-26-211-146
11. 1701 Empire Mine Dr., Henderson NV 89014-4081 APN: 178-04-310-052
12. 9020 Feather River Ct., Las Vegas NV 89117-2367 APN: 163-08-213-045
13. 1013 Golden Hawk Way, Las Vegas NV 89108-1841 APN: 138-26-214-039
14. 4521 W. La Madre Way, North Las Vegas NV 89031-0243
APN: 124-31-410-052
15. 8562 Lambert Dr., Las Vegas NV 89147-5269 APN: 163-21-418-003
16. 276 Manzanita Ranch Ln., Henderson NV 89012-2186 APN: 178-20-311-036
17. 2861 Marathon Dr., Henderson NV 89074-2497 APN: 177-13-210-013
18. 5218 Misty Morning Dr., Las Vegas NV 89118-0600 APN: 163-26-610-009

19. 10317 Neopolitan Pl., Las Vegas NV 89144 APN: 137-25-612-074
20. 956 Ostrich Fern Ct., Las Vegas NV 89123-4050 APN: 177-27-711-248
21. 8216 Peaceful Canyon Dr., Las Vegas NV 89128-7926 APN: 138-21-415-056
22. 6091 Pumpkin Patch Ave., Las Vegas NV 89142-0791 APN: 161-03-413-041
23. 5709 Ridgetree Ave., Las Vegas NV 89107-1529 APN: 138-25-316-008
24. 5524 Rock Creek Ln., Las Vegas NV 89130-1956 APN: 125-36-110-041
25. 922 Saddle Horn Dr., Henderson NV 89002-9536 APN: 179-28-411-023
26. 5609 San Ardo Pl., Las Vegas NV 89130-5187 APN: 138-01-216-001
27. 9521 Sierra Summit Ave., Las Vegas NV 89134-0113 APN: 138-19-610-008
28. 1528 Splinter Rock Way, North Las Vegas NV 89031-1617

APN: 124-28-314-011

29. 1194 Stormy Valley Rd., Las Vegas NV 89123-3171 APN: 177-22-612-037
30. 2290 Surrey Meadows Ave., Henderson NV 89052-2335

APN: 178-19-712-019

31. 2614 Sweet Leilani Ave., North Las Vegas NV 89031-0693

APN: 124-29-615-080

32. 2525 Via Di Autostrada, Henderson NV 89074-6381 APN: 178-19-111-022

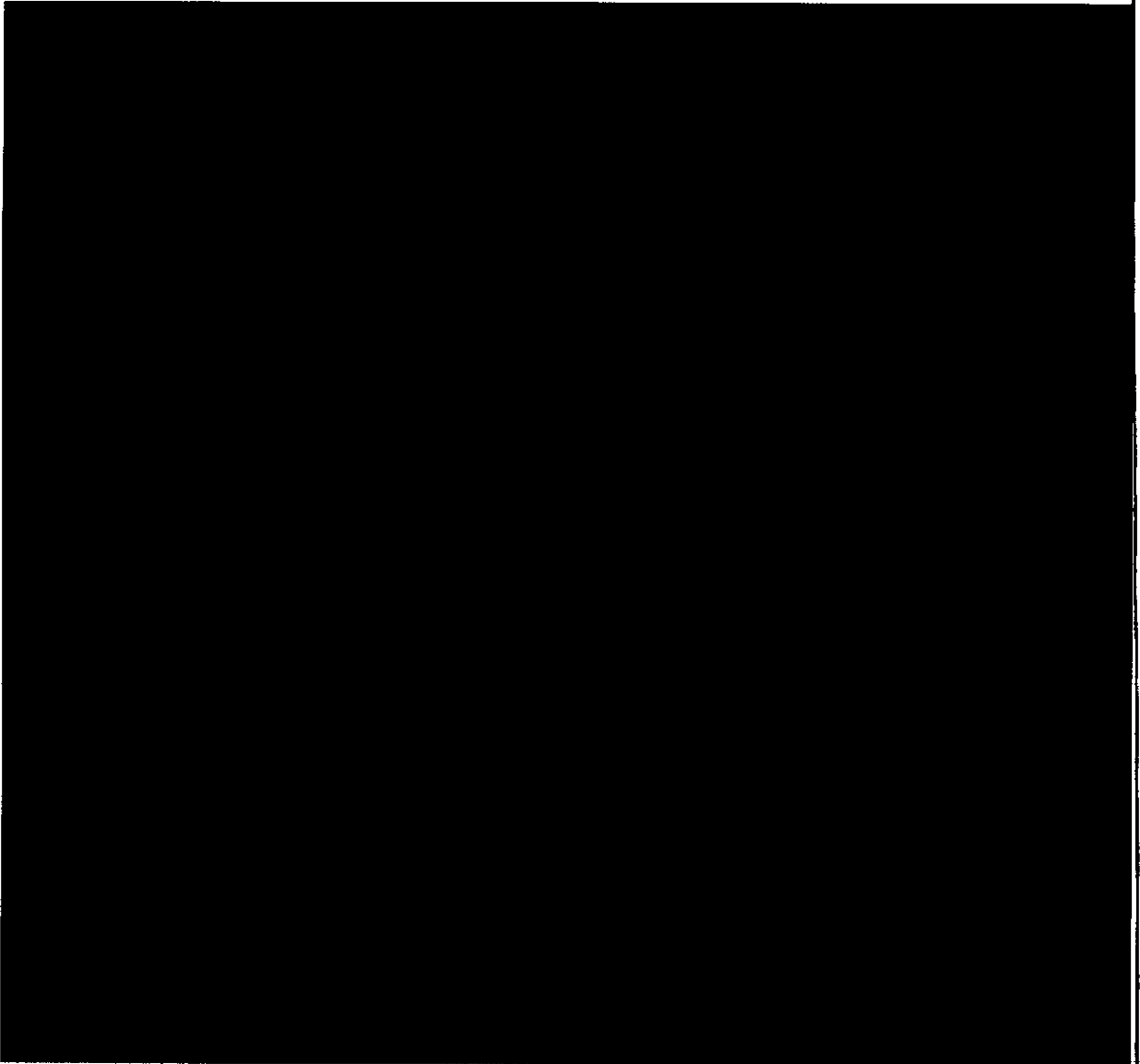
29. IT IS ORDERED ADJUDGED AND DECREED that William shall sign all Quitclaim Deeds on the 32 real properties. If he refuses to sign after 14 days of being served and presented with the deeds, then the Clerk of Court shall be directed to sign on William's behalf.

Checks for Schulte Properties for Bank Fraud Reimbursement

30. In her Pretrial Memorandum, Melani disclosed three checks totaling \$1,800.00 plus one check in the amount of \$7,500.00 belonging to Schulte Properties for bank fraud reimbursement.
31. IT IS ORDERED, ADJUDGED AND DECREED that Melani shall be awarded the four checks totaling \$9,300.00 as her sole and separate property because Schulte Properties is awarded to her solely. The checks belong to the Schulte Properties,

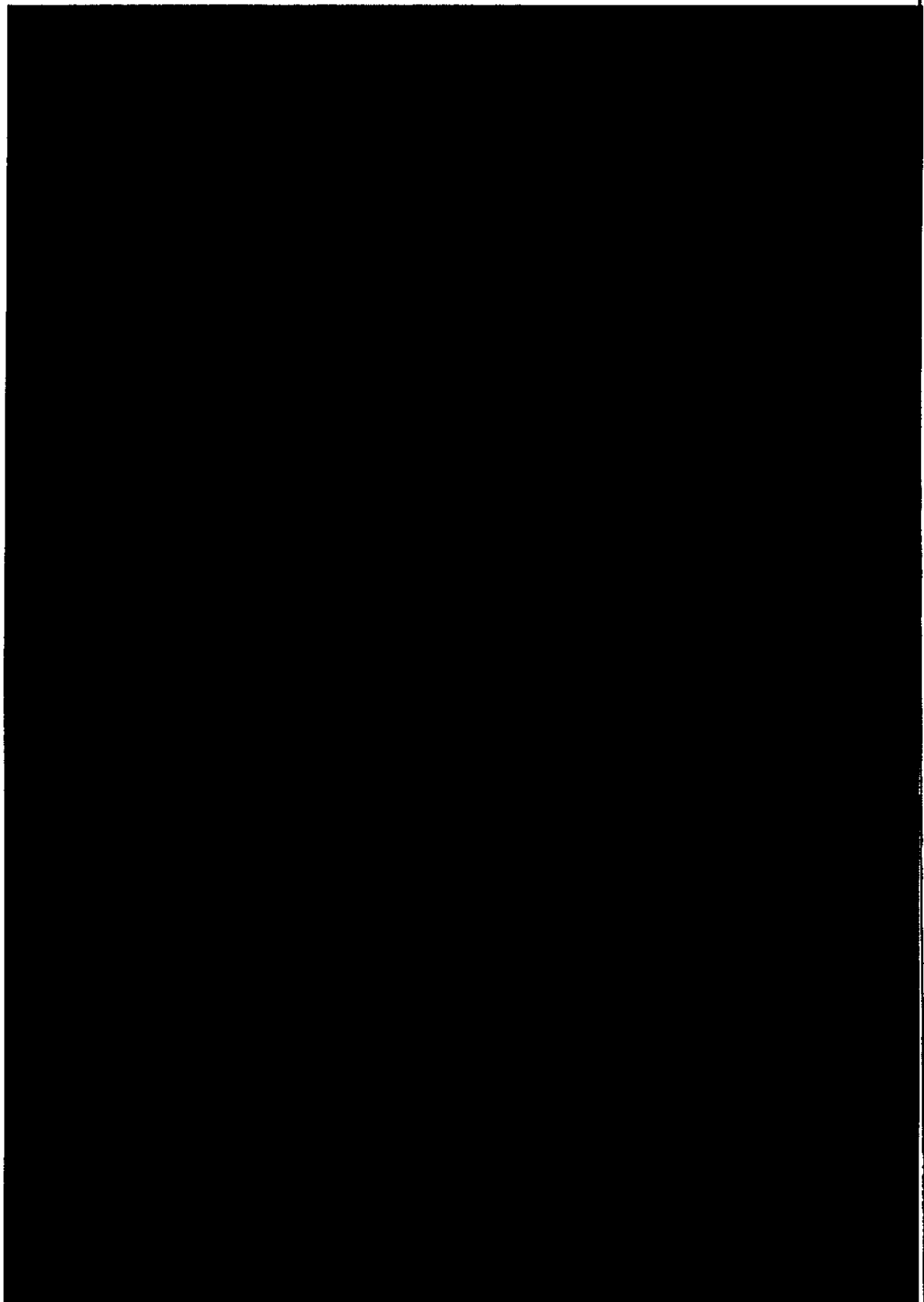
1 and with Melani being awarded this business, she shall retain the reimbursement
2 checks and may apply the funds towards the business debts.

3 Melani shall also be awarded any unclaimed funds from the Nevada State Treasury
4 in the name of "Melani and William R. Schulte," "Sabreco," "William R.
5 Schulte," "Bill Schulte" and/or "W R Schulte" for any and all of the Schulte
6 properties and/or accounts including any unknown future claims and including, but
7 not limited to, Claim #5489561 in the amount of \$666.87; Claim #6047495 in the
8 amount of \$557.35; Claim #6047502 in the amount of \$122.40; Claim # 6047510
9 in the amount of \$150.00.



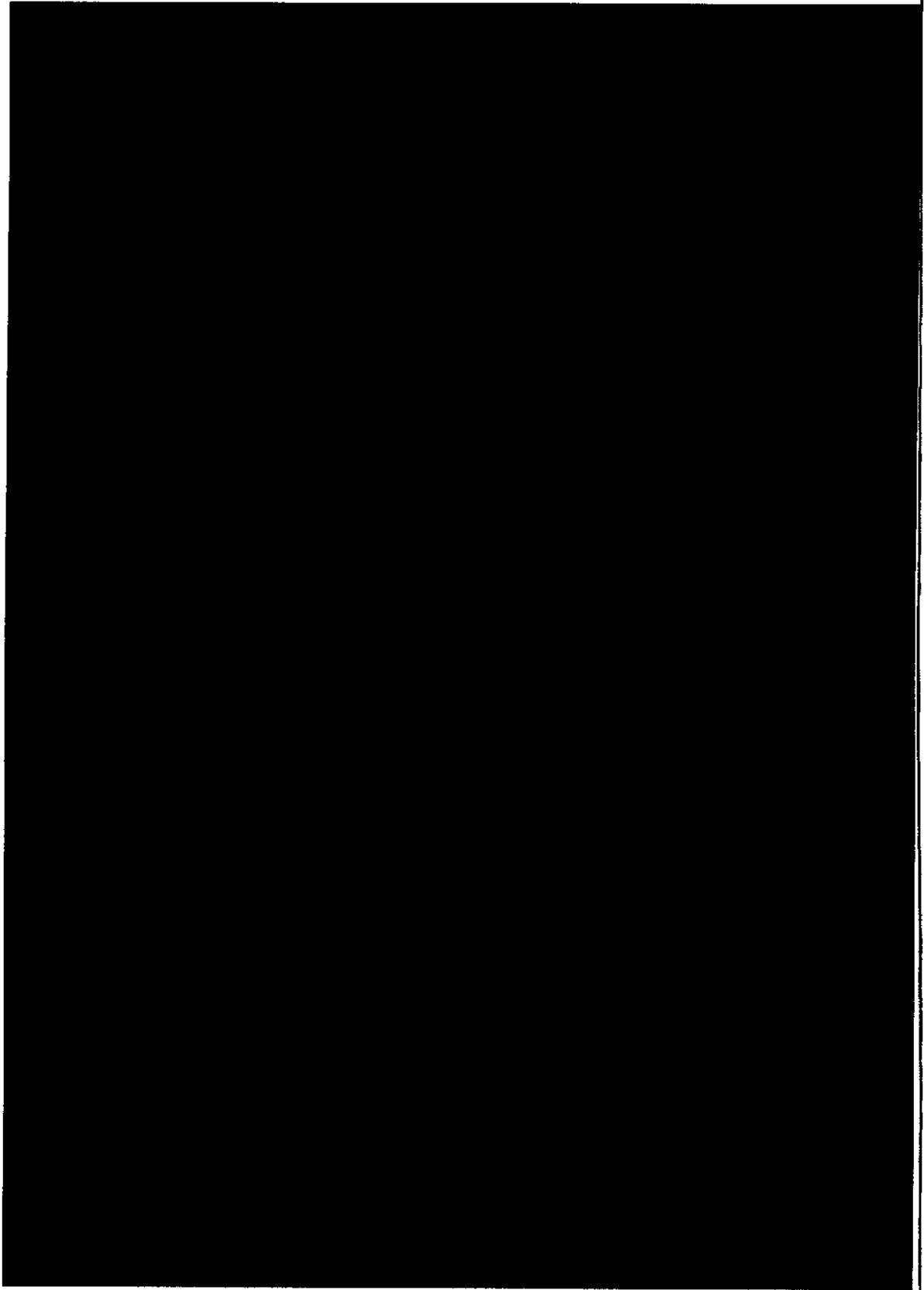
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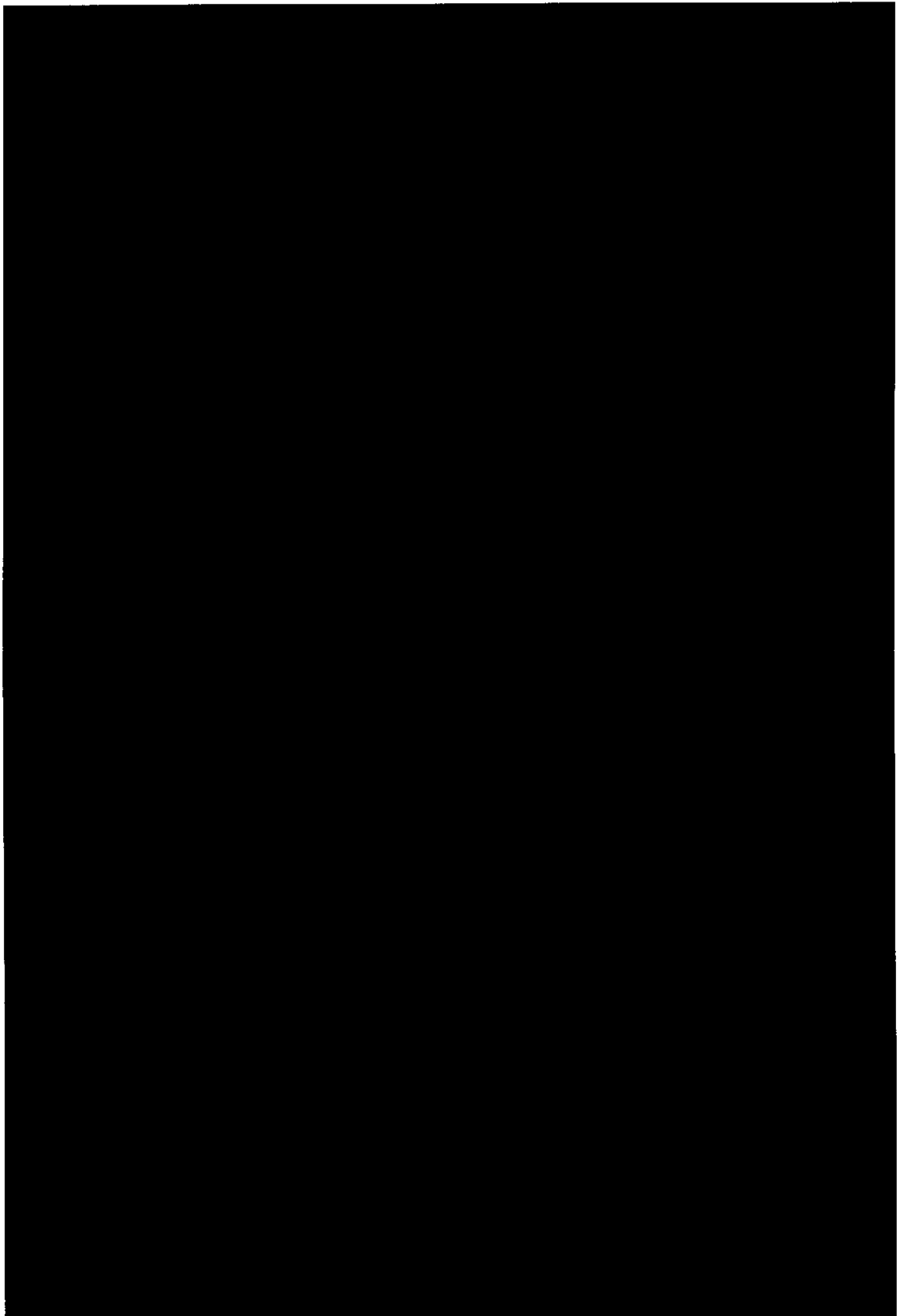
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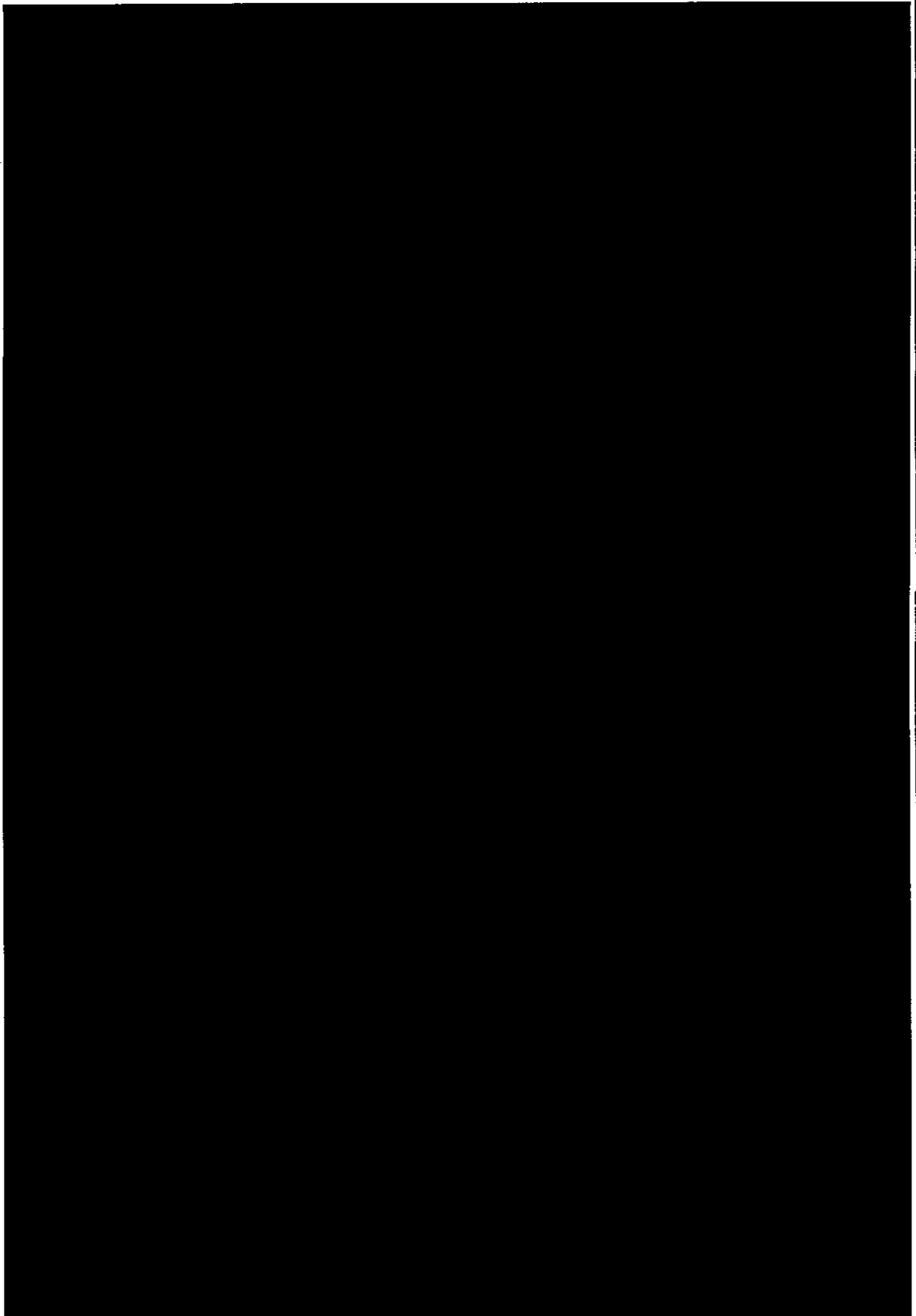
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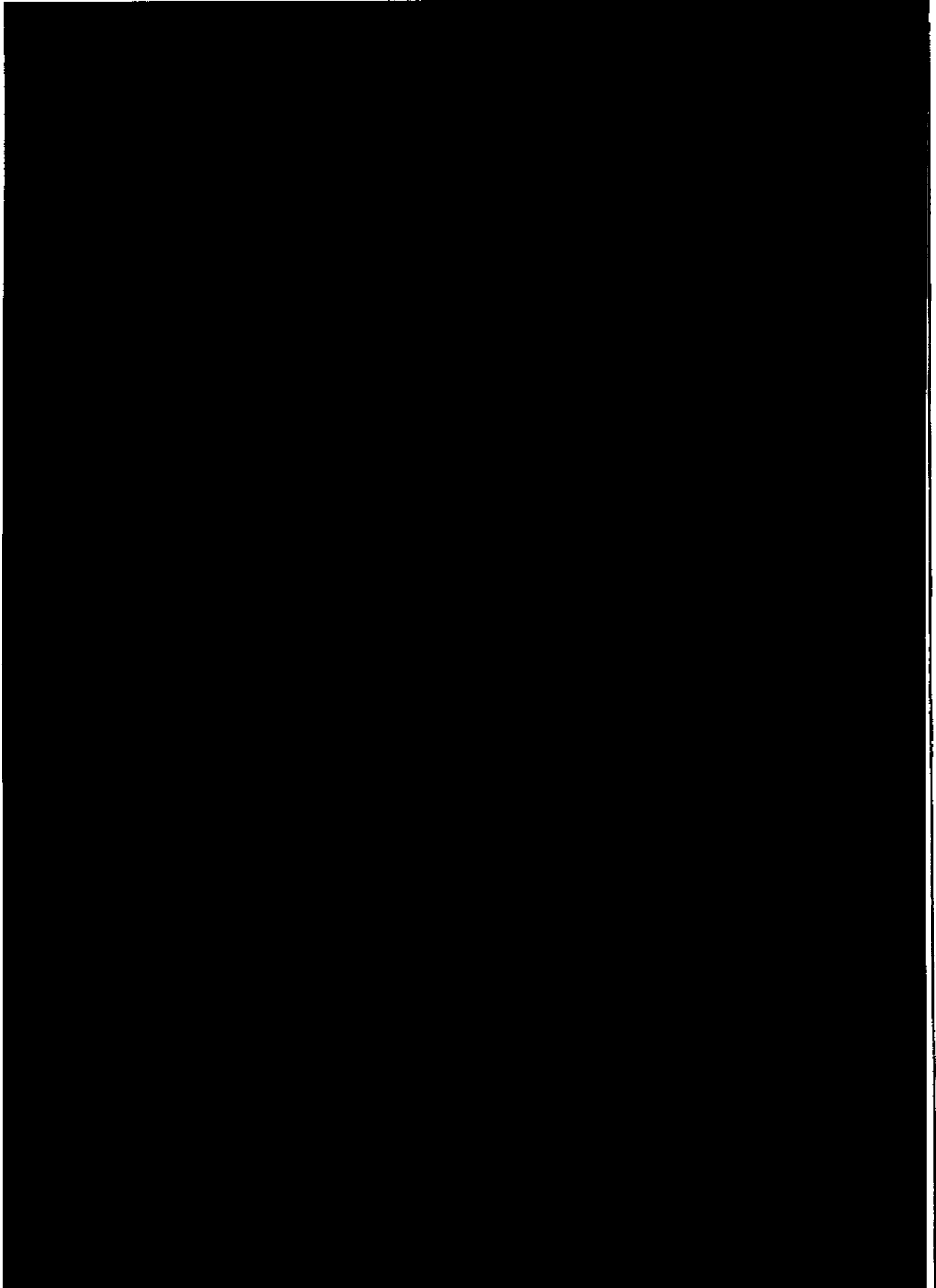
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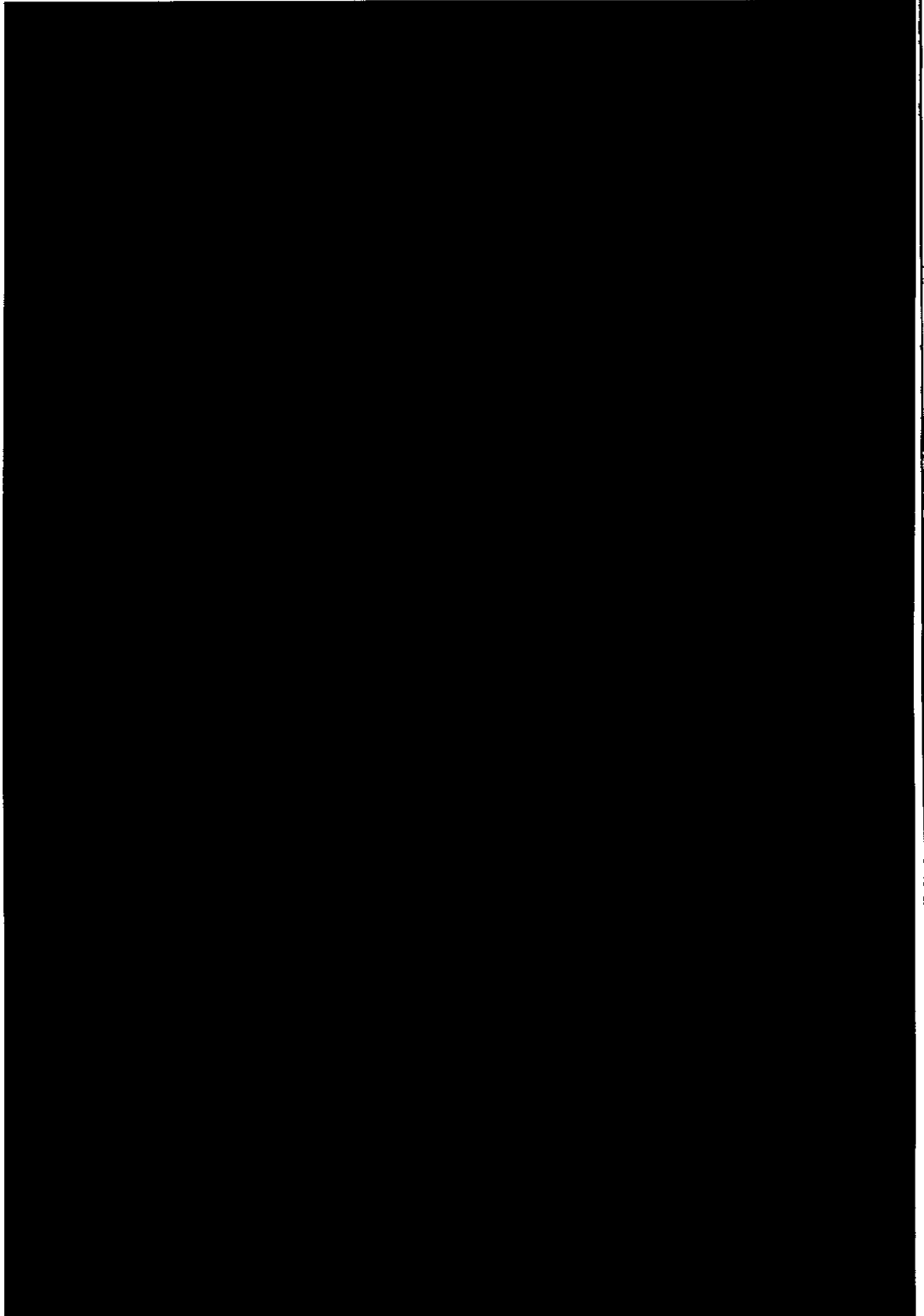
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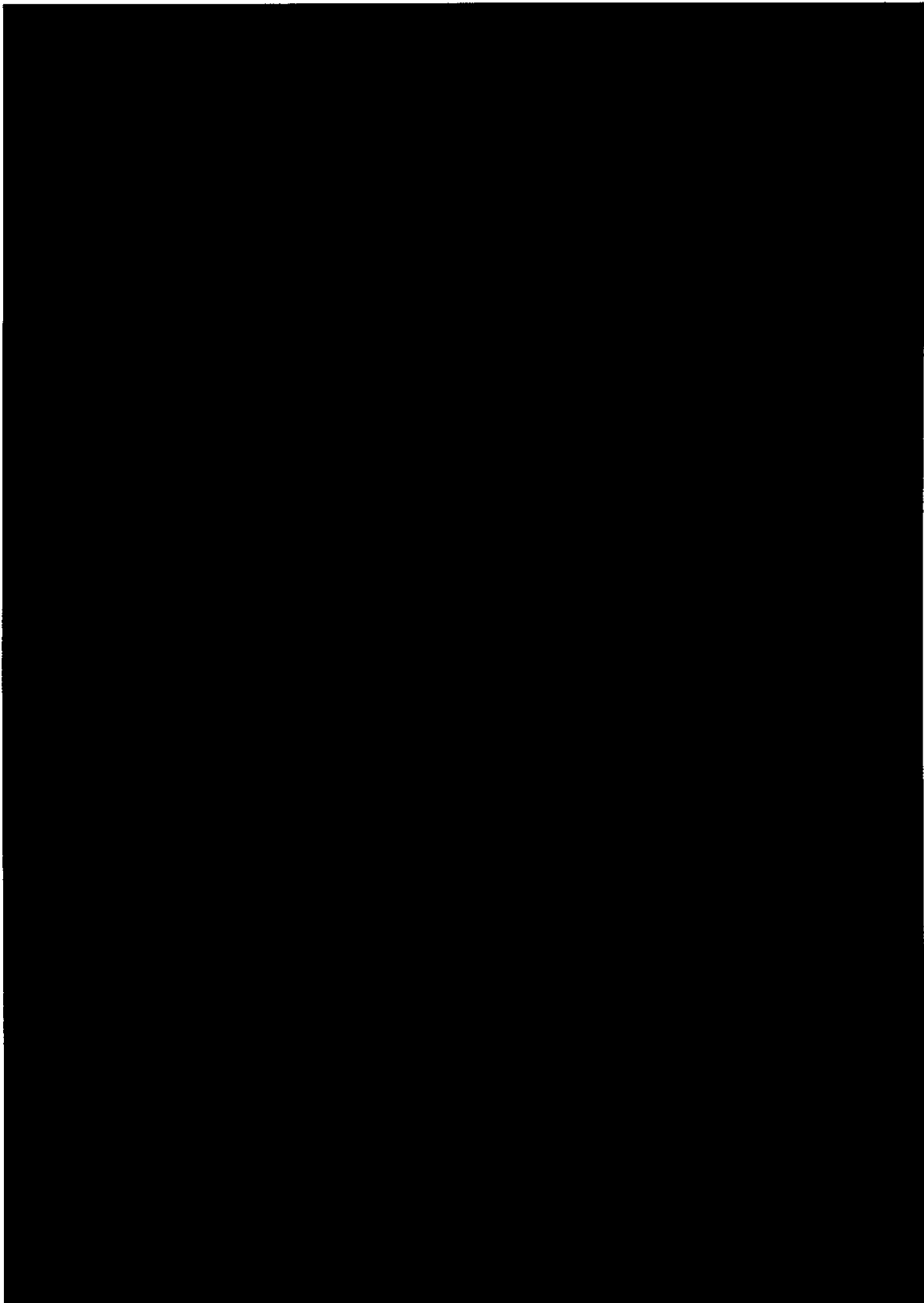
LAW OFFICES
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40 S. STEPHANIE STREET, SUITE 6201
HENDERSON, NEVADA 89012
(702) 384-7494
Facsimile (702) 384-7545

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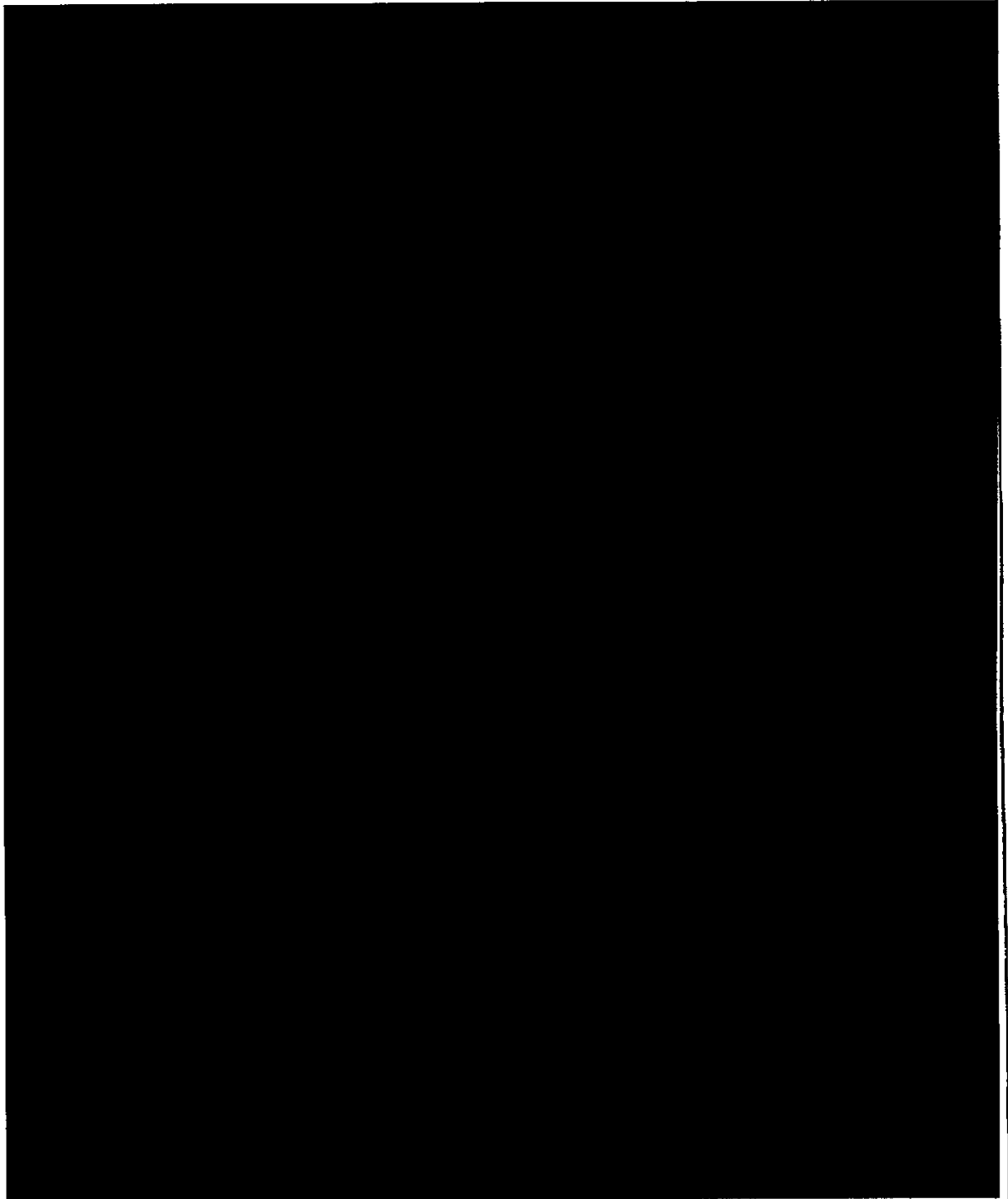
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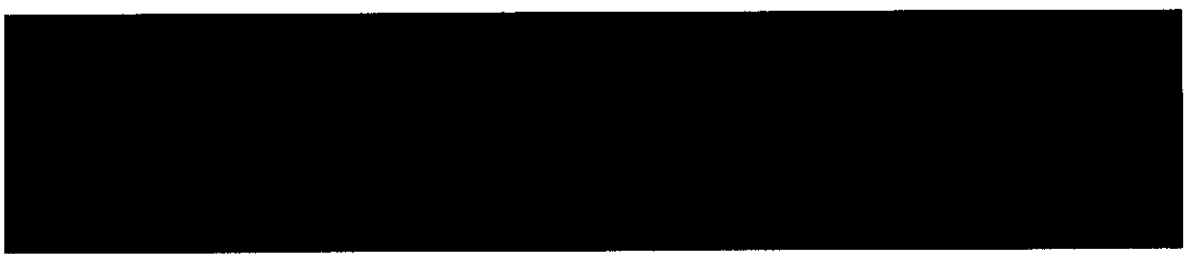
LAW OFFICES
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40 S. STEPHANIE STREET, SUITE 720
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SO ORDERED

Dated this 8th day of July, 2013.

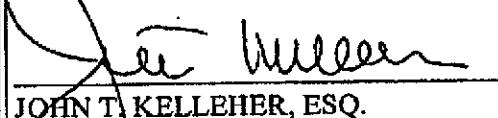
IT IS SO ORDERED this 3 day of APRIL, 2017.


DISTRICT COURT JUDGE

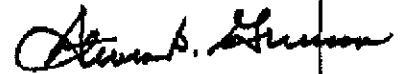
CHERYL B. MOSS

Submitted by:

KELLEHER & KELLEHER, LLC


JOHN T. KELLEHER, ESQ.
Nevada Bar No. 6012
40 S. Stephanie Street, Suite #201
Henderson, Nevada 89012
Attorney for Plaintiff

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ORDER

Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: Plaintiff

**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

Plaintiff,
-vs-

WILLIAM R. SCHULTE,
Defendants.

CASE: D-12-458809-D

DEPT: I

**ORDER FROM APRIL 3, 2017 HEARING GRANTING FINAL JUDGMENT AGAINST
WILLIAM R. SCHULTE**

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

The Court having reviewed the papers and pleadings on file herein, having heard the

1 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
2 the facts and matters herein, and for good cause appearing, hereby FINDS and ORDERS as
3 follows:

- 4 1. The Court finds that Plaintiff met her burden by providing this court admissible
5 evidence to support the requested relief.
- 6 2. The Court finds that the Plaintiff has proved up all requested damages.
- 7 3. The Court finds that William R. Schulte was the Licensed Broker and Permitted
8 Property Manager for Sabreco, Inc ("Sabreco"). William R. Schulte as Broker of
9 Sabreco executed leases for the LLCs listed in the individual judgments ("the
10 LLCs"). [Exhibits 1-20]. Sabreco collected rents and security deposits on behalf of
11 the LLCs and deposited those funds into Sabreco trust accounts for which William R.
12 Schulte had sole signatory authority. From these trust accounts, Sabreco paid bank
13 fees and William R. Schulte signed checks to pay Sabreco bills, paid monies to other
14 clients or parties with the monies belonging to the LLCs. Sabreco failed to remit the
15 monies collected for the LLCs to the LLCs. William R. Schulte failed to reconcile
16 the Sabreco trust accounts and failed to file annual reports to the Nevada Real Estate
17 Division ("NRED") for three consecutive years 2009-2011. William R. Schulte acted
18 with fraud, misrepresentation or deceit when deliberately collecting, depositing,
19 keeping and spending the funds belonging to the LLCs, and failing to disclose those
20 wrongful acts to the LLCs and obfuscating that information by not filing mandatory
21 reports.
- 22 4. In a previous contempt hearing the Court found that William R. Schulte was entrusted
23 to run the daily operations of Sabreco during the divorce and his management
24 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
25 accounted.
- 26 5. The Court having considered and weighed the *Brunzell* factors the Court finds that
27 Plaintiff's attorneys' fees were reasonable. Specifically, this was a complex case to
28

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1 prepare and argue; Attorney Davis had over 8 years of legal experience and more
2 than 20 years of business experience and an MBA; Attorney Kelleher had more than
3 20 years as a divorce attorney; Attorney Richards has many years as a divorce
4 attorney in Nevada; the attorneys performed all material work and provided oral
5 arguments; prepared documentation and Plaintiff was successful on her motion.

6 6. The Court hereby orders that the individual judgments be entered against William R.
7 Schulte as follows:

8 a. 2460 AVENIDA CORTES, LLC, the property owner, shall be awarded a
9 monetary judgment: In the amount of \$9,612.38 for \$8,262.38 of rents
10 collected by Sabreco on behalf of the property owner but not paid to the
11 property owner and the security deposit of \$1,350.00 collected which was
12 collected by Sabreco for which 2460 AVENIDA CORTES, LLC was liable;
13 Against William R. Schulte; On the grounds of fraud, misrepresentation or
14 deceit; collectable by all lawful means by the 2460 AVENIDA CORTES,
15 LLC or Melani Schulte as the Successor in Interest to 2460 AVENIDA
16 CORTES, LLC; and With interest to begin accruing at the legal rate (prime
17 rate plus 2%) on the date following the entry of the judgment. [Exhibit 1]

18 b. KEEP SAFE, LLC, the property owner, shall be awarded a monetary
19 judgment: In the amount of \$8,543.00 for \$7,248.00 of rents collected by
20 Sabreco on behalf of the property owner but not paid to the property owner
21 and the security deposit of \$1,295.00 collected which was collected by
22 Sabreco for which KEEP SAFE, LLC was liable; Against William R. Schulte;
23 On the grounds of fraud, misrepresentation or deceit; collectable by all lawful
24 means by the KEEP SAFE, LLC or Melani Schulte as the Successor in
25 Interest to KEEP SAFE, LLC; and With interest to begin accruing at the legal
26 rate (prime rate plus 2%) on the date following the entry of the judgment.
27 [Exhibit 2]
28

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- 1 c. 4710 BRENTLY, LLC, the property owner, shall be awarded a monetary
2 judgment: In the amount of \$9,115.00 for \$7,665.00 of rents collected by
3 Sabreco on behalf of the property owner but not paid to the property owner
4 and the security deposit of \$1,450.00 collected which was collected by
5 Sabreco for which 4710 BRENTLY, LLC was liable; Against William R.
6 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
7 all lawful means by the 4710 BRENTLY, LLC or Melani Schulte as the
8 Successor in Interest to 4710 BRENTLY, LLC; and With interest to begin
9 accruing at the legal rate (prime rate plus 2%) on the date following the entry
10 of the judgment. [Exhibit 3]
11 d. 3322 CHELTENHAM LLC, the property owner, shall be awarded a monetary
12 judgment: In the amount of \$10,260.00 for \$8,960.00 of rents collected by
13 Sabreco on behalf of the property owner but not paid to the property owner
14 and the security deposit of \$1,300.00 collected which was collected by
15 Sabreco for which 3322 CHELTENHAM LLC was liable; Against William
16 R. Schulte; On the grounds of fraud, misrepresentation or deceit; collectable
17 by all lawful means by the 3322 CHELTENHAM LLC or Melani Schulte as
18 the Successor in Interest to 3322 CHELTENHAM LLC; and With interest to
19 begin accruing at the legal rate (prime rate plus 2%) on the date following the
20 entry of the judgment. [Exhibit 4]
21 e. 3383 CLOVERDALE, LLC, the property owner, shall be awarded a monetary
22 judgment: In the amount of \$10,250.76 for \$8,000.76 of rents collected by
23 Sabreco on behalf of the property owner but not paid to the property owner
24 and the security deposit of \$2,250.00 collected which was collected by
25 Sabreco for which 3383 CLOVERDALE, LLC was liable; Against William
26 R. Schulte; On the grounds of fraud, misrepresentation or deceit; collectable
27 by all lawful means by the 3383 CLOVERDALE, LLC or Melani Schulte as
28

1 the Successor in Interest to 3383 CLOVERDALE, LLC; and With interest to
2 begin accruing at the legal rate (prime rate plus 2%) on the date following the
3 entry of the judgment. [Exhibit 5]

4 f. 3729 DISCOVERY CREEK, LLC, the property owner, shall be awarded a
5 monetary judgment: In the amount of \$13,900.00 for \$12,400.00 of rents
6 collected by Sabreco on behalf of the property owner but not paid to the
7 property owner and the security deposit of \$1,500.00 collected which was
8 collected by Sabreco for which 3729 DISCOVERY CREEK, LLC was liable;
9 Against William R. Schulte; On the grounds of fraud, misrepresentation or
10 deceit; collectable by all lawful means by the 3729 DISCOVERY CREEK,
11 LLC or Melani Schulte as the Successor in Interest to 3729 DISCOVERY
12 CREEK, LLC; and With interest to begin accruing at the legal rate (prime rate
13 plus 2%) on the date following the entry of the judgment. [Exhibit 6]

14 g. 1392 ECHO FALLS, LLC, the property owner, shall be awarded a monetary
15 judgment: In the amount of \$9,615.00 for \$8,365.00 of rents collected by
16 Sabreco on behalf of the property owner but not paid to the property owner
17 and the security deposit of \$1,250.00 collected which was collected by
18 Sabreco for which 1392 ECHO FALLS, LLC was liable; Against William R.
19 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
20 all lawful means by the 1392 ECHO FALLS, LLC or Melani Schulte as the
21 Successor in Interest to 1392 ECHO FALLS, LLC; and With interest to begin
22 accruing at the legal rate (prime rate plus 2%) on the date following the entry
23 of the judgment. [Exhibit 7]

24 h. 1701 EMPIRE MINE, LLC, the property owner, shall be awarded a monetary
25 judgment: In the amount of \$10,900.00 for \$8,550.00 of rents collected by
26 Sabreco on behalf of the property owner but not paid to the property owner
27 and the security deposit of \$2,350.00 collected which was collected by
28

1 Sabreco for which 1701 EMPIRE MINE, LLC was liable; Against William R.
2 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
3 all lawful means by the 1701 EMPIRE MINE, LLC or Melani Schulte as the
4 Successor in Interest to 1701 EMPIRE MINE, LLC; and With interest to
5 begin accruing at the legal rate (prime rate plus 2%) on the date following the
6 entry of the judgment. [Exhibit 8]

7 i. 9020 FEATHER RIVER, LLC, the property owner, shall be awarded a
8 monetary judgment: In the amount of \$10,400.00 for \$8,775.00 of rents
9 collected by Sabreco on behalf of the property owner but not paid to the
10 property owner and the security deposit of \$1,625.00 collected which was
11 collected by Sabreco for which 9020 FEATHER RIVER, LLC was liable;
12 Against William R. Schulte; On the grounds of fraud, misrepresentation or
13 deceit; collectable by all lawful means by the 9020 FEATHER RIVER, LLC
14 or Melani Schulte as the Successor in Interest to 9020 FEATHER RIVER,
15 LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%)
16 on the date following the entry of the judgment. [Exhibit 9]

17 j. CHERISH, LLC, the property owner, shall be awarded a monetary judgment:
18 In the amount of \$12,060.00 for \$10,465.00 of rents collected by Sabreco on
19 behalf of the property owner but not paid to the property owner and the
20 security deposit of \$1,595.00 collected which was collected by Sabreco for
21 which CHERISH, LLC was liable; Against William R. Schulte; On the
22 grounds of fraud, misrepresentation or deceit; collectable by all lawful means
23 by the CHERISH, LLC or Melani Schulte as the Successor in Interest to
24 CHERISH, LLC; and With interest to begin accruing at the legal rate (prime
25 rate plus 2%) on the date following the entry of the judgment. [Exhibit 10]

26 k. 276 MANZANITA RANCH LLC , the property owner, shall be awarded a
27 monetary judgment: In the amount of \$10,125.00 for \$8,575.00 of rents
28

1 collected by Sabreco on behalf of the property owner but not paid to the
2 property owner and the security deposit of \$1,550.00 collected which was
3 collected by Sabreco for which 276 MANZANITA RANCH LLC was liable;
4 Against William R. Schulte; On the grounds of fraud, misrepresentation or
5 deceit; collectable by all lawful means by the 276 MANZANITA RANCH
6 LLC or Melani Schulte as the Successor in Interest to 276 MANZANITA
7 RANCH LLC ; and With interest to begin accruing at the legal rate (prime
8 rate plus 2%) on the date following the entry of the judgment. [Exhibit 11]

9 l. 2861 MARATHON, LLC , the property owner, shall be awarded a monetary
10 judgment: In the amount of \$11,228.75 for \$9,528.75 of rents collected by
11 Sabreco on behalf of the property owner but not paid to the property owner
12 and the security deposit of \$1,700.00 collected which was collected by
13 Sabreco for which 2861 MARATHON, LLC was liable; Against William R.
14 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
15 all lawful means by the 2861 MARATHON, LLC or Melani Schulte as the
16 Successor in Interest to 2861 MARATHON, LLC ; and With interest to begin
17 accruing at the legal rate (prime rate plus 2%) on the date following the entry
18 of the judgment. [Exhibit 12]

19 m. 1341 MINUET, LLC, the property owner, shall be awarded a monetary
20 judgment: In the amount of \$12,402.71 for \$10,552.71 of rents collected by
21 Sabreco on behalf of the property owner but not paid to the property owner
22 and the security deposit of \$1,850.00 collected which was collected by
23 Sabreco for which 1341 MINUET, LLC was liable; Against William R.
24 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
25 all lawful means by the 1341 MINUET, LLC or Melani Schulte as the
26 Successor in Interest to 1341 MINUET, LLC; and With interest to begin
27 accruing at the legal rate (prime rate plus 2%) on the date following the entry
28

1 of the judgment. [Exhibit 13]

2 n. 956 OSTRICH FERN, LLC, the property owner, shall be awarded a monetary
3 judgment: In the amount of \$10,021.00 for \$8,571.00 of rents collected by
4 Sabreco on behalf of the property owner but not paid to the property owner
5 and the security deposit of \$1,450.00 collected which was collected by
6 Sabreco for which 956 OSTRICH FERN, LLC was liable; Against William R.
7 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
8 all lawful means by the 956 OSTRICH FERN, LLC or Melani Schulte as the
9 Successor in Interest to 956 OSTRICH FERN, LLC; and With interest to
10 begin accruing at the legal rate (prime rate plus 2%) on the date following the
11 entry of the judgment. [Exhibit 14]

12 o. 8216 PEACEFUL CANYON, LLC , the property owner, shall be awarded a
13 monetary judgment: In the amount of \$10,715.00 for \$9,065.00 of rents
14 collected by Sabreco on behalf of the property owner but not paid to the
15 property owner and the security deposit of \$1,650.00 collected which was
16 collected by Sabreco for which 8216 PEACEFUL CANYON, LLC was
17 liable; Against William R. Schulte; On the grounds of fraud,
18 misrepresentation or deceit; collectable by all lawful means by the 8216
19 PEACEFUL CANYON, LLC or Melani Schulte as the Successor in Interest
20 to 8216 PEACEFUL CANYON, LLC ; and With interest to begin accruing at
21 the legal rate (prime rate plus 2%) on the date following the entry of the
22 judgment. [Exhibit 15]

23 p. 5524 ROCK CREEK, LLC, the property owner, shall be awarded a monetary
24 judgment: In the amount of \$14,590.00 for \$13,440.00 of rents collected by
25 Sabreco on behalf of the property owner but not paid to the property owner
26 and the security deposit of \$1,150.00 collected which was collected by
27 Sabreco for which 5524 ROCK CREEK, LLC was liable; Against William R.
28

1 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
2 all lawful means by the 5524 ROCK CREEK, LLC or Melani Schulte as the
3 Successor in Interest to 5524 ROCK CREEK, LLC; and With interest to begin
4 accruing at the legal rate (prime rate plus 2%) on the date following the entry
5 of the judgment. [Exhibit 16]

6 q. 5609 SAN ARDO, LLC, the property owner, shall be awarded a monetary
7 judgment: In the amount of \$10,400.00 for \$9,200.00 of rents collected by
8 Sabreco on behalf of the property owner but not paid to the property owner
9 and the security deposit of \$1,200.00 collected which was collected by
10 Sabreco for which 5609 SAN ARDO, LLC was liable; Against William R.
11 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by
12 all lawful means by the 5609 SAN ARDO, LLC or Melani Schulte as the
13 Successor in Interest to 5609 SAN ARDO, LLC; and With interest to begin
14 accruing at the legal rate (prime rate plus 2%) on the date following the entry
15 of the judgment. [Exhibit 17]

16 r. 9521 SIERRA SUMMIT, LLC , the property owner, shall be awarded a
17 monetary judgment: In the amount of \$11,093.00 for \$9,443.00 of rents
18 collected by Sabreco on behalf of the property owner but not paid to the
19 property owner and the security deposit of \$1,650.00 collected which was
20 collected by Sabreco for which 9521 SIERRA SUMMIT, LLC was liable;
21 Against William R. Schulte; On the grounds of fraud, misrepresentation or
22 deceit; collectable by all lawful means by the 9521 SIERRA SUMMIT, LLC
23 or Melani Schulte as the Successor in Interest to 9521 SIERRA SUMMIT,
24 LLC ; and With interest to begin accruing at the legal rate (prime rate plus
25 2%) on the date following the entry of the judgment. [Exhibit 18]

26 s. 2290 SURREY MEADOWS, LLC, the property owner, shall be awarded a
27 monetary judgment: In the amount of \$11,599.00 for \$9,849.00 of rents
28

1 collected by Sabreco on behalf of the property owner but not paid to the
2 property owner and the security deposit of \$1,750.00 collected which was
3 collected by Sabreco for which 2290 SURREY MEADOWS, LLC was liable;
4 Against William R. Schulte; On the grounds of fraud, misrepresentation or
5 deceit; collectable by all lawful means by the 2290 SURREY MEADOWS,
6 LLC or Melani Schulte as the Successor in Interest to 2290 SURREY
7 MEADOWS, LLC; and With interest to begin accruing at the legal rate
8 (prime rate plus 2%) on the date following the entry of the judgment. [Exhibit
9 19]

- 10 1. 2614 SWEET LEILANI, LLC, the property owner, shall be awarded a
11 monetary judgment: In the amount of \$12,110.00 for \$10,760.00 of rents
12 collected by Sabreco on behalf of the property owner but not paid to the
13 property owner and the security deposit of \$1,350.00 collected which was
14 collected by Sabreco for which 2614 SWEET LEILANI, LLC was liable;
15 Against William R. Schulte; On the grounds of fraud, misrepresentation or
16 deceit; collectable by all lawful means by the 2614 SWEET LEILANI, LLC
17 or Melani Schulte as the Successor in Interest to 2614 SWEET LEILANI,
18 LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%)
19 on the date following the entry of the judgment. [Exhibit 20]
- 20 u. Melani Schulte shall be awarded \$1,556.00 against William R. Schulte for
21 payments Melani Schulte made for the Arcizewski matter, with interest to
22 begin accruing at the legal rate (prime rate plus 2%) on the date following the
23 entry of the judgment. [Exhibit 21]
- 24 v. Melani Schulte shall be awarded all reasonable attorney fees and costs
25 incurred to prosecute this matter against William R. Schulte in the amount of
26 \$22,000 with interest to begin accruing at the legal rate (prime rate plus 2%)
27 on the date following the entry of the judgment, plus all additional attorneys
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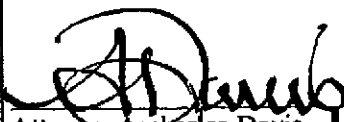
1 fees and costs in the future collection of these individual judgments and
2 collectable by all lawful means. [Exhibit 22]

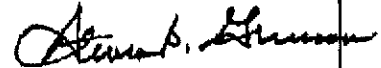
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4 BASED UPON THE FOREGOING IT IS HEREBY ORDERED, ADJUDGED AND
5 DECREED.

6 IT IS SO ORDERED ON this 8th day of May 2017.

7 
8 DISTRICT COURT JUDGE

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10 Submitted by:

11 
12 Attorney Amberlea Davis
13 Nevada Bar #11551 0/5/17
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1 JUDGE

2 Amberlea Davis
3 Nevada Bar Number: 11551
4 Law Offices of Amberlea Davis
5 415 S. Sixth St, Ste 300
6 Las Vegas, NV 89101
7 Phone: (702) 440-8000
8 Email: Amber@ShellsMyLawyer.com
9 Attorney for: 1701 EMPIRE MINE, LLC and
10 Successor in Interest Melani Schulte

11 DISTRICT COURT
12 CLARK COUNTY NEVADA

13 MELANI SCHULTE,

14 Plaintiff,
15 -vs-

16 WILLIAM R. SCHULTE,

17 Defendants.

CASE: D-12-458809-D

DEPT: 1

18 FINAL JUDGMENT IN FAVOR OF 1701 EMPIRE MINE, LLC AND
19 AGAINST WILLIAM R. SCHULTE

20 THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on
21 April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for
22 omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud,
23 misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both
24 hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by
25 attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea
26 Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John
27 Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R.
28 Schulte filed an opposition, was at the March 8th hearing in proper person and proffered
testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 22. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 23. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 1701 EMPIRE MINE, LLC. Sabreco collected rents
12 and security deposits on behalf of 1701 EMPIRE MINE, LLC and deposited those
13 funds into Sabreco trust accounts for which William R. Schulte had sole signatory
14 authority. From these trust accounts, Sabreco paid bank fees and William R. Schulte
15 signed checks to pay Sabreco bills, paid monies to other clients or parties with the
16 monies belonging to 1701 EMPIRE MINE, LLC. Sabreco failed to remit the monies
17 collected for 1701 EMPIRE MINE, LLC to 1701 EMPIRE MINE, LLC. William R.
18 Schulte failed to reconcile the Sabreco trust accounts and failed to file annual reports
19 to the Nevada Real Estate Division ("NRED") for three consecutive years 2009-2011.
20 William R. Schulte acted with fraud, misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to 1701 EMPIRE
22 MINE, LLC, and failing to disclose those wrongful acts to 1701 EMPIRE MINE,
23 LLC and obfuscating that information by not filing mandatory reports and not
24 reconciling the bank statements monthly.

25 24. In a previous contempt hearing the Court found that William R. Schulte was entrusted
26 to run the daily operations of Sabreco during the divorce and his management
27 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
28

1 accounted.

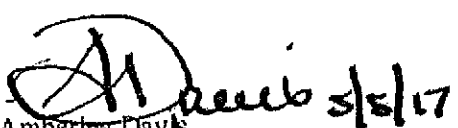
2 TOTAL MONETARY JUDGMENT

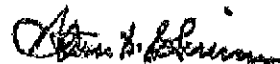
3 1701 EMPIRE MINE, LLC, the property owner, is awarded a monetary judgment: In the amount
4 of \$10,900.00 for \$8,550.00 of rents collected by Sabreco on behalf of the property owner but not
5 paid to the property owner and the security deposit of \$2,350.00 collected which was collected
6 by Sabreco for which 1701 EMPIRE MINE, LLC was liable; Against William R. Schulte; On the
7 grounds of fraud, misrepresentation or deceit; collectable by all lawful means by the 1701
8 EMPIRE MINE, LLC or Melani Schulte as the Successor in Interest to 1701 EMPIRE MINE,
9 LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%) on the date
10 following the entry of the judgment.

11
12 IT IS SO ORDERED this 16 day of May 2017.

13
14 
15 DISTRICT COURT JUDGE

16
17 Submitted by:

18
19 
20 /s/ Amberlea Davis
21 Attorney Amberlea Davis
22 Nevada Bar #11551

23
24 

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26 AUG 18 2017

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Amberlea Davis

JUDGE
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: CHERISH, LLC and
Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,
-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: I

FINAL JUDGMENT IN FAVOR OF CHERISH, LLC AND
AGAINST WILLIAM R. SCHULTE

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 28. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 29. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for CHERISH, LLC. Sabreco collected rents and security
12 deposits on behalf of CHERISH, LLC and deposited those funds into Sabreco trust
13 accounts for which William R. Schulte had sole signatory authority. From these trust
14 accounts, Sabreco paid bank fees and William R. Schulte signed checks to pay
15 Sabreco bills, paid monies to other clients or parties with the monies belonging to
16 CHERISH, LLC. Sabreco failed to remit the monies collected for CHERISH, LLC to
17 CHERISH, LLC. William R. Schulte failed to reconcile the Sabreco trust accounts
18 and failed to file annual reports to the Nevada Real Estate Division ("NRED") for
19 three consecutive years 2009-2011. William R. Schulte acted with fraud,
20 misrepresentation or deceit when deliberately collecting, depositing, keeping and
21 spending the funds belonging to CHERISH, LLC, and failing to disclose those
22 wrongful acts to CHERISH, LLC and obfuscating that information by not filing
23 mandatory reports and not reconciling the bank statements monthly.

24 30. In a previous contempt hearing the Court found that William R. Schulte was entrusted
25 to run the daily operations of Sabreco during the divorce and his management
26 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
27 accounted.
28


TOTAL MONETARY JUDGMENT

CHERISH, LLC, the property owner, is awarded a monetary judgment: In the amount of \$12,060.00 for \$10,465.00 of rents collected by Sabreco on behalf of the property owner but not paid to the property owner and the security deposit of \$1,595.00 collected which was collected by Sabreco for which CHERISH, LLC was liable; Against William R. Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by all lawful means by the CHERISH, LLC or Melani Schulte as the Successor In Interest to CHERISH, LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%) on the date following the entry of the judgment.

IT IS SO ORDERED this 16 day of May 2017.


DISTRICT COURT JUDGE

Submitted by:


/s Amberlea Davis
Attorney Amberlea Davis
Nevada Bar #11551

5/18/2017
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JUDG

Amberlea Davis

Nevada Bar Number: 11551

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Phone: (702) 440-8000

Email: Amber@ShellsMyLawyer.com

Attorney for: 1341 MINUET, LLC and

Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,

-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: 1

FINAL JUDGMENT IN FAVOR OF 1341 MINUET, LLC AND
AGAINST WILLIAM R. SCHULTE

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 37. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 38. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 1341 MINUET, LLC. Sabreco collected rents and
12 security deposits on behalf of 1341 MINUET, LLC and deposited those funds into
13 Sabreco trust accounts for which William R. Schulte had sole signatory authority.
14 From these trust accounts, Sabreco paid bank fees and William R. Schulte signed
15 checks to pay Sabreco bills, paid monies to other clients or parties with the monies
16 belonging to 1341 MINUET, LLC. Sabreco failed to remit the monies collected for
17 1341 MINUET, LLC to 1341 MINUET, LLC. William R. Schulte failed to reconcile
18 the Sabreco trust accounts and failed to file annual reports to the Nevada Real Estate
19 Division ("NRED") for three consecutive years 2009-2011. William R. Schulte acted
20 with fraud, misrepresentation or deceit when deliberately collecting, depositing,
21 keeping and spending the funds belonging to 1341 MINUET, LLC, and failing to
22 disclose those wrongful acts to 1341 MINUET, LLC and obfuscating that information
23 by not filing mandatory reports and not reconciling the bank statements monthly.

24 39. In a previous contempt hearing the Court found that William R. Schulte was entrusted
25 to run the daily operations of Sabreco during the divorce and his management
26 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
27 accounted.
28


TOTAL MONETARY JUDGMENT

1341 MINUET, LLC, the property owner, is awarded a monetary judgment: In the amount of \$12,402.71 for \$10,552.71 of rents collected by Sabreco on behalf of the property owner but not paid to the property owner and the security deposit of \$1,850.00 collected which was collected by Sabreco for which 1341 MINUET, LLC was liable; Against William R. Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by all lawful means by the 1341 MINUET, LLC or Melani Schulte as the Successor in Interest to 1341 MINUET, LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%) on the date following the entry of the judgment.

IT IS SO ORDERED this 16 day of May 2017.


DISTRICT COURT JUDGE

Submitted by:


/s Amberlea Davis
Attorney Amberlea Davis
Nevada Bar #11551



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JUDG

Amberlea Davis

Nevada Bar Number: 11551

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Phone: (702) 440-8000

Email: Amber@SheIsMyLawyer.com

Attorney for: 5524 ROCK CREEK, LLC and
Successor in Interest Melani SchulteDISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,

-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: 1

FINAL JUDGMENT IN FAVOR OF 5524 ROCK CREEK, LLC AND
AGAINST WILLIAM R. SCHULTE

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 46. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 47. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 5524 ROCK CREEK, LLC. Sabreco collected rents and
12 security deposits on behalf of 5524 ROCK CREEK, LLC and deposited those funds
13 into Sabreco trust accounts for which William R. Schulte had sole signatory
14 authority. From these trust accounts, Sabreco paid bank fees and William R. Schulte
15 signed checks to pay Sabreco bills, paid monies to other clients or parties with the
16 monies belonging to 5524 ROCK CREEK, LLC. Sabreco failed to remit the monies
17 collected for 5524 ROCK CREEK, LLC to 5524 ROCK CREEK, LLC. William R.
18 Schulte failed to reconcile the Sabreco trust accounts and failed to file annual reports
19 to the Nevada Real Estate Division ("NRED") for three consecutive years 2009-2011.
20 William R. Schulte acted with fraud, misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to 5524 ROCK
22 CREEK, LLC, and failing to disclose those wrongful acts to 5524 ROCK CREEK,
23 LLC and obfuscating that information by not filing mandatory reports and not
24 reconciling the bank statements monthly.

25 48. In a previous contempt hearing the Court found that William R. Schulte was entrusted
26 to run the daily operations of Sabreco during the divorce and his management
27 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
28

1 accounted.

2 TOTAL MONETARY JUDGMENT

3 5524 ROCK CREEK, LLC, the property owner, is awarded a monetary judgment: In the amount
4 of \$14,590.00 for \$13,440.00 of rents collected by Sabreco on behalf of the property owner but
5 not paid to the property owner and the security deposit of \$1,150.00 collected which was
6 collected by Sabreco for which 5524 ROCK CREEK, LLC was liable; Against William R.
7 Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by all lawful means by
8 the 5524 ROCK CREEK, LLC or Melani Schulte as the Successor in Interest to 5524 ROCK
9 CREEK, LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%) on the
10 date following the entry of the judgment.

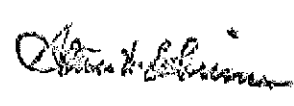
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12 IT IS SO ORDERED this 16 day of May 2017.

13
14 
15 DISTRICT COURT JUDGE

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17 Submitted by:

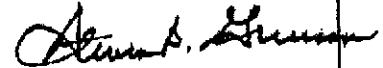
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20 /s Amberlea Davis
21 Attorney Amberlea Davis
22 Nevada Bar #11551

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**JUDGE****Amberlea Davis**

Nevada Bar Number: 11551

Law Offices of Amberlea Davis

415 S. Sixth St, Ste 300

Las Vegas, NV 89101

Phone: (702) 440-8000

Email: Amber@ShellsMyLawyer.com

Attorney for: 5609 SAN ARDO, LLC and
Successor in Interest Melani Schulte**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

Plaintiff,
-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: 1

**FINAL JUDGMENT IN FAVOR OF 5609 SAN ARDO, LLC AND
AGAINST WILLIAM R. SCHULTE**

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 49. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 50. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 5609 SAN ARDO, LLC. Sabreco collected rents and
12 security deposits on behalf of 5609 SAN ARDO, LLC and deposited those funds into
13 Sabreco trust accounts for which William R. Schulte had sole signatory authority.
14 From these trust accounts, Sabreco paid bank fees and William R. Schulte signed
15 checks to pay Sabreco bills, paid monies to other clients or parties with the monies
16 belonging to 5609 SAN ARDO, LLC. Sabreco failed to remit the monies collected
17 for 5609 SAN ARDO, LLC to 5609 SAN ARDO, LLC. William R. Schulte failed to
18 reconcile the Sabreco trust accounts and failed to file annual reports to the Nevada
19 Real Estate Division ("NRED") for three consecutive years 2009-2011. William R.
20 Schulte acted with fraud, misrepresentation or deceit when deliberately collecting,
21 depositing, keeping and spending the funds belonging to 5609 SAN ARDO, LLC,
22 and failing to disclose those wrongful acts to 5609 SAN ARDO, LLC and
23 obfuscating that information by not filing mandatory reports and not reconciling the
24 bank statements monthly.

25 51. In a previous contempt hearing the Court found that William R. Schulte was entrusted
26 to run the daily operations of Sabreco during the divorce and his management
27 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
28

1 accounted.

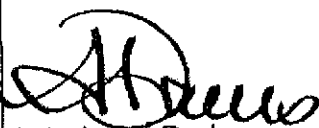
2 **TOTAL MONETARY JUDGMENT**

3 5609 SAN ARDO, LLC, the property owner, is awarded a monetary judgment: In the amount of
4 \$10,400.00 for \$9,200.00 of rents collected by Sabreco on behalf of the property owner but not
5 paid to the property owner and the security deposit of \$1,200.00 collected which was collected
6 by Sabreco for which 5609 SAN ARDO, LLC was liable; Against William R. Schulte; On the
7 grounds of fraud, misrepresentation or deceit; collectable by all lawful means by the 5609 SAN
8 ARDO, LLC or Melani Schulte as the Successor in Interest to 5609 SAN ARDO, LLC; and With
9 interest to begin accruing at the legal rate (prime rate plus 2%) on the date following the entry of
10 the judgment.

11
12 IT IS SO ORDERED this 16 day of May 2017.

13
14 
15 DISTRICT COURT JUDGE

16
17 Submitted by:

18 
19 /s Amberlea Davis
20 Attorney Amberlea Davis
21 Nevada Bar #11551

22
23 

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25 AUG 18 2017

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JUDG

Amberlea Davis

Nevada Bar Number: 11551

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Las Vegas, NV 89101

Phone: (702) 440-8000

Email: Amber@ShelsMyLawyer.com

Attorney for: 9521 SIERRA SUMMIT, LLC and
Successor in Interest Melani SchulteDISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,
-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: 1

FINAL JUDGMENT IN FAVOR OF 9521 SIERRA SUMMIT, LLC AND
AGAINST WILLIAM R. SCHULTE

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 52. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 53. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 9521 SIERRA SUMMIT, LLC . Sabreco collected rents
12 and security deposits on behalf of 9521 SIERRA SUMMIT, LLC and deposited
13 those funds into Sabreco trust accounts for which William R. Schulte had sole
14 signatory authority. From these trust accounts, Sabreco paid bank fees and William
15 R. Schulte signed checks to pay Sabreco bills, paid monies to other clients or parties
16 with the monies belonging to 9521 SIERRA SUMMIT, LLC . Sabreco failed to remit
17 the monies collected for 9521 SIERRA SUMMIT, LLC to 9521 SIERRA SUMMIT,
18 LLC . William R. Schulte failed to reconcile the Sabreco trust accounts and failed to
19 file annual reports to the Nevada Real Estate Division ("NRED") for three
20 consecutive years 2009-2011. William R. Schulte acted with fraud, misrepresentation
21 or deceit when deliberately collecting, depositing, keeping and spending the funds
22 belonging to 9521 SIERRA SUMMIT, LLC , and failing to disclose those wrongful
23 acts to 9521 SIERRA SUMMIT, LLC and obfuscating that information by not filing
24 mandatory reports and not reconciling the bank statements monthly.

25 54. In a previous contempt hearing the Court found that William R. Schulte was entrusted
26 to run the daily operations of Sabreco during the divorce and his management
27 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
28

LAW OFFICES OF AMBERLEA DAVIS
416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377

accounted.


TOTAL MONETARY JUDGMENT

9521 SIERRA SUMMIT, LLC, the property owner, is awarded a monetary judgment: In the amount of \$11,093.00 for \$9,443.00 of rents collected by Sabreco on behalf of the property owner but not paid to the property owner and the security deposit of \$1,650.00 collected which was collected by Sabreco for which 9521 SIERRA SUMMIT, LLC was liable; Against William R. Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by all lawful means by the 9521 SIERRA SUMMIT, LLC or Melani Schulte as the Successor In Interest to 9521 SIERRA SUMMIT, LLC; and With interest to begin accruing at the legal rate (prime rate plus 2%) on the date following the entry of the judgment.

IT IS SO ORDERED this 16 day of May 2017.


DISTRICT COURT JUDGE

Submitted by:


/s Amberlea Davis
Attorney Amberlea Davis
Nevada Bar #11551



AUG 18 2017

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Steven D. Grlerson

1 JUDGE

2 Amberlea Davis

3 Nevada Bar Number: 11551

4 Law Offices of Amberlea Davis

5 415 S. Sixth St, Ste 300

6 Las Vegas, NV 89101

7 Phone: (702) 440-8000

8 Email: Amber@ShelsMyLawyer.com

9 Attorney for: Melani Schulte

10 DISTRICT COURT
11 CLARK COUNTY NEVADA

12 MELANI SCHULTE,

13 Plaintiff,

14 -vs-

15 WILLIAM R. SCHULTE,

16 Defendants.

CASE: D-12-458809-D

DEPT: 1

17 FINAL JUDGMENT IN FAVOR OF MELANI SCHULTE AND
18 AGAINST WILLIAM R. SCHULTE

19 THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on
20 April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for
21 omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud,
22 misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both
23 hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by
24 attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea
25 Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John
26 Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R.
27 Schulte filed an opposition, was at the March 8th hearing in proper person and proffered
28 testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

The Court having reviewed the papers and pleadings on file herein, having heard the

1 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
2 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
3 DECREED:

- 4
5 1. The Court finds that Plaintiff met her burden by providing this court admissible
6 evidence to support the requested relief. The Court finds that Plaintiff has proved up
7 all requested damages.
- 8 2. The Court finds that William R. Schulte was the Licensed Broker and Permitted
9 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
10 Sabreco executed a lease for the Robert and Renee Arciszewski ("Arciszewskis") .
11 Sabreco collected rents and security deposits on behalf of Arciszewskis and deposited
12 those funds into Sabreco trust accounts for which William R. Schulte had sole
13 signatory authority. From these trust accounts, Sabreco paid bank fees and William
14 R. Schulte signed checks to pay Sabreco bills, paid monies to other clients or parties
15 with the monies belonging to Arciszewskis. Sabreco failed to remit the monies
16 collected for the Arciszewskis to the Arciszewskis. William R. Schulte failed to
17 reconcile the Sabreco trust accounts and failed to file annual reports to the Nevada
18 Real Estate Division ("NRED") for three consecutive years 2009-2011. William R.
19 Schulte acted with fraud, misrepresentation or deceit when deliberately collecting,
20 depositing, keeping and spending the funds belonging to the Arciszewskis, and
21 failing to disclose those wrongful acts to the Arciszewskis and obfuscating that
22 information by not filing mandatory reports and not reconciling the bank statements
23 monthly.
- 24 3. The Arciszewskis received a judgment against Melani Schulte for the amount of
25 \$1,556.00 for these acts committed by Sabreco and William R. Schulte in Small
26 Claims court case 14-A-003291.
- 27 4. In a previous contempt hearing the Court found that William R. Schulte was entrusted
28

1 to run the dally operations of Sabreco during the divorce and his management
2 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
3 accounted.

4 TOTAL MONETARY JUDGMENT

5 Melani Schulte, is awarded a monetary judgment: In the amount of \$1,556 for the return of rents,
6 tenant security deposit and owner's deposit collected by Sabreco and William R. Schulte on
7 behalf of the Arciszewskis but not paid to the Arciszewskis and for which Melani Schulte had to
8 pay; Against William R. Schulte; On the grounds of fraud, misrepresentation or deceit;
9 collectable by all lawful means by Melani Schulte; and With interest to begin accruing at the
10 legal rate (prime rate plus 2%) on the date following the entry of the judgment.

11
12 IT IS SO ORDERED this 16 day of May 2017.

13
14 
15 DISTRICT COURT JUDGE

16 Submitted by:

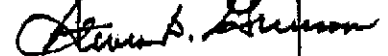
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20 /s Amberlea Davis
21 Attorney Amberlea Davis
22 Nevada Bar #11551

23 

24 AUG 18 2017

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Steven D. Grierson
CLERK OF THE COURT

JUDGE

Amberlea Davis

Nevada Bar Number: 11551

Law Offices of Amberlea Davis

415 S. Sixth St, Ste 300

Las Vegas, NV 89101

Phone: (702) 440-8000

Email: Amber@ShelsMyLawyer.com

Attorney for: 8216 PEACEFUL CANYON, LLC and
Successor in Interest Melani SchulteDISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,

-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: 1

FINAL JUDGMENT IN FAVOR OF 8216 PEACEFUL CANYON, LLC AND
AGAINST WILLIAM R. SCHULTE

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 43. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 44. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 8216 PEACEFUL CANYON, LLC. Sabreco collected
12 rents and security deposits on behalf of 8216 PEACEFUL CANYON, LLC and
13 deposited those funds into Sabreco trust accounts for which William R. Schulte had
14 sole signatory authority. From these trust accounts, Sabreco paid bank fees and
15 William R. Schulte signed checks to pay Sabreco bills, paid monies to other clients or
16 parties with the monies belonging to 8216 PEACEFUL CANYON, LLC. Sabreco
17 failed to remit the monies collected for 8216 PEACEFUL CANYON, LLC to 8216
18 PEACEFUL CANYON, LLC. William R. Schulte failed to reconcile the Sabreco
19 trust accounts and failed to file annual reports to the Nevada Real Estate Division
20 ("NRED") for three consecutive years 2009-2011. William R. Schulte acted with
21 fraud, misrepresentation or deceit when deliberately collecting, depositing, keeping
22 and spending the funds belonging to 8216 PEACEFUL CANYON, LLC, and failing
23 to disclose those wrongful acts to 8216 PEACEFUL CANYON, LLC and
24 obfuscating that information by not filing mandatory reports and not reconciling the
25 bank statements monthly.

26 45. In a previous contempt hearing the Court found that William R. Schulte was entrusted
27 to run the daily operations of Sabreco during the divorce and his management
28

1 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
2 accounted.

3 TOTAL MONETARY JUDGMENT

4 8216 PEACEFUL CANYON, LLC, the property owner, is awarded a monetary judgment: In the
5 amount of \$10,715.00 for \$9,065.00 of rents collected by Sabreco on behalf of the property
6 owner but not paid to the property owner and the security deposit of \$1,650.00 collected which
7 was collected by Sabreco for which 8216 PEACEFUL CANYON, LLC was liable; Against
8 William R. Schulte; On the grounds of fraud, misrepresentation or deceit; collectable by all
9 lawful means by the 8216 PEACEFUL CANYON, LLC or Melani Schulte as the Successor in
10 Interest to 8216 PEACEFUL CANYON, LLC; and With interest to begin accruing at the legal
11 rate (prime rate plus 2%) on the date following the entry of the judgment,

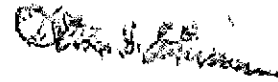
12 IT IS SO ORDERED this 16 day of May 2017.

13
14 
15 DISTRICT COURT JUDGE
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17 Submitted by:

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19 
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21 /s/ Amberlea Davis
22 Attorney Amberlea Davis
Nevada Bar #11551

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AUG 15 2017
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OF THE DOCUMENT ON FILE

Steven D. Grlerson

JUDG

Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@ShelsMyLawyer.com
Attorney for: 2861 MARATHON, LLC and
Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,
-vs-

WILLIAM R. SCHULTE,
Defendants.

CASE: D-12-458809-D

DEPT: 1

FINAL JUDGMENT IN FAVOR OF 2861 MARATHON, LLC AND
AGAINST WILLIAM R. SCHULTE

THIS MATTER came for a hearing on March 8, 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and debts and to determine who bears responsibility for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an opposition, was at the March 8th hearing in proper person and proffered testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

1 The Court having reviewed the papers and pleadings on file herein, having heard the
2 arguments of counsel and testimony, having heard the evidence, having been fully apprised as to
3 the facts and matters herein, and for good cause appearing ORDERED, ADJUDGED and
4 DECREED:

5
6 34. The Court finds that Plaintiff met her burden by providing this court admissible
7 evidence to support the requested relief. The Court finds that Plaintiff has proved up
8 all requested damages.

9 35. The Court finds that William R. Schulte was the Licensed Broker and Permitted
10 Property Manager for Sabreco, Inc. ("Sabreco"). William R. Schulte as Broker of
11 Sabreco executed a lease for 2861 MARATHON, LLC. Sabreco collected rents and
12 security deposits on behalf of 2861 MARATHON, LLC and deposited those funds
13 into Sabreco trust accounts for which William R. Schulte had sole signatory
14 authority. From these trust accounts, Sabreco paid bank fees and William R. Schulte
15 signed checks to pay Sabreco bills, paid monies to other clients or parties with the
16 monies belonging to 2861 MARATHON, LLC. Sabreco failed to remit the monies
17 collected for 2861 MARATHON, LLC to 2861 MARATHON, LLC. William R.
18 Schulte failed to reconcile the Sabreco trust accounts and failed to file annual reports
19 to the Nevada Real Estate Division ("NRED") for three consecutive years 2009-2011.
20 William R. Schulte acted with fraud, misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to 2861
22 MARATHON, LLC, and failing to disclose those wrongful acts to 2861
23 MARATHON, LLC and obfuscating that information by not filing mandatory
24 reports and not reconciling the bank statements monthly.

25 36. In a previous contempt hearing the Court found that William R. Schulte was entrusted
26 to run the daily operations of Sabreco during the divorce and his management
27 resulted in a discrepancy in excess of \$200,000 for which William R. Schulte has not
28

1 accounted.


2 TOTAL MONETARY JUDGMENT

3 2861 MARATHON, LLC, the property owner, is awarded a monetary judgment: In the amount
4 of \$11,228.75 for \$9,528.75 of rents collected by Sabreco on behalf of the property owner but not
5 paid to the property owner and the security deposit of \$1,700.00 collected which was collected
6 by Sabreco for which 2861 MARATHON, LLC was liable; Against William R. Schulte; On the
7 grounds of fraud, misrepresentation or deceit; collectable by all lawful means by the 2861
8 MARATHON, LLC or Melani Schulte as the Successor in Interest to 2861 MARATHON, LLC
9 ; and With interest to begin accruing at the legal rate (prime rate plus 2%) on the date following
10 the entry of the judgment.

11 IT IS SO ORDERED this 16 day of May 2017.

12
13
14 
15 DISTRICT COURT JUDGE
16

17 Submitted by:

18
19 
20 /s/ Amberlea Davis
21 Attorney Amberlea Davis
22 Nevada Bar #11551
23
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AUG 18 2017

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Steven D. Grierson
CLERK OF THE COURT

Steven D. Grierson



PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@ShelsMyLawyer.com
Attorney for: CHERISH, LLC and
Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE, Plaintiff, -vs-	CASE: D-12-458809-D DEPT: 1
WILLIAM R. SCHULTE, Defendants.	VERIFIED PETITION

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS
645.841 TO 645.8494 INCLUSIVE**

COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this Petition to request the court for an order directing payment out of the Real Estate Education Research and Recovery Fund (ERRF), overseen by The Nevada Real Estate Division, in satisfaction of said Judgment.

This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCP"); the Nevada Rules of Professional

LAW OFFICES OF AMBERLEA DAVIS
415 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

7 MEMORANDUM OF POINTS AND AUTHORITIES

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 1407 HOMETOWN,
12 HENDERSON. CHERISH, LLC was the owner of the residential property.
13 WILLIAM R. SCHULTE signed the lease on behalf of Petitioner and deposited
14 Petitioner's funds into Sabreco trust accounts. Sabreco failed to remit the monies
15 collected on behalf of Petitioner; instead, the Defendant used those funds to pay
16 bank fees, write and sign checks to pay Sabreco bills, as well as paid monies to
17 other clients or parties. WILLIAM R. SCHULTE and Sabreco also failed to
18 reconcile the Sabreco trust accounts. Sabreco additionally failed to file annual
19 reports to the Nevada Real Estate Division for three consecutive years (2009, 2010,
20 and 2011), acted with fraud and misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to Petitioner, and
22 further failed to disclose those wrongful acts to Petitioner and obfuscating that
23 information by not filing mandatory reports and not reconciling the bank
24 statements monthly. [Exhibit 1¹, Motion to Amend, see especially Exhibit 2 to the
25 Motion] Ultimately, William R. Schulte's Nevada Real Estate licenses and permits
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$12,060.00. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
14 the only known bank account of the Defendant, Clark County Credit Union.
15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

19
20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.


23 CONCLUSION

24
25
26 Since MELANI SCHULTE by and through her counsel AMBERLEA
27 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
28

1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to CHERISH, LLC for actual
8 damages in the amount of \$12,060.00.

9
10 Dated this 25 of October 2017.

11
12 
13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to CHERISH, LLC;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.



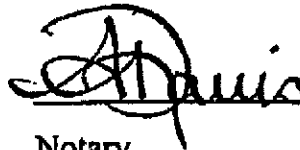
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



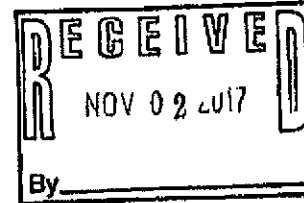
Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018



Notary

Steven D. Grierson

PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
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Phone: (702) 440-8000
Email: Amber@ShelsMyLawyer.com
Attorney for: 1701 EMPIRE MINE, LLC and
Successor in Interest Melani Schulte



**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

**Plaintiff,
-vs-**

**WILLIAM R. SCHULTE,
Defendants.**

CASE: D-12-458809-D

DEPT: I

VERIFIED PETITION

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS
645.841 TO 645.8494 INCLUSIVE**

COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this Petition to request the court for an order directing payment out of the Real Estate Education Research and Recovery Fund (ERRF), overseen by The Nevada Real Estate Division, in satisfaction of said Judgment.

This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCPP"); the Nevada Rules of Professional

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

6 7 MEMORANDUM OF POINTS AND AUTHORITIES 8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 1701 EMPIRE
12 MINE DR, HENDERSON. 1701 EMPIRE MINE, LLC was the owner of the
13 residential property. WILLIAM R. SCHULTE signed the lease on behalf of
14 Petitioner and deposited Petitioner's funds into Sabreco trust accounts. Sabreco
15 failed to remit the monies collected on behalf of Petitioner; instead, the Defendant
16 used those funds to pay bank fees, write and sign checks to pay Sabreco bills, as
17 well as paid monies to other clients or parties. WILLIAM R. SCHULTE and
18 Sabreco also failed to reconcile the Sabreco trust accounts. Sabreco additionally
19 failed to file annual reports to the Nevada Real Estate Division for three
20 consecutive years (2009, 2010, and 2011), acted with fraud and misrepresentation
21 or deceit when deliberately collecting, depositing, keeping and spending the funds
22 belonging to Petitioner, and further failed to disclose those wrongful acts to
23 Petitioner and obfuscating that information by not filing mandatory reports and not
24 reconciling the bank statements monthly. [Exhibit 1', Motion to Amend, see
25 especially Exhibit 2 to the Motion] Ultimately, William R. Schulte's Nevada Real
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 Estate licenses and permits were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$10,900.00. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
14 the only known bank account of the Defendant, Clark County Credit Union.
15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

19
20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.


23 CONCLUSION

24
25 Since MELANI SCHULTE by and through her counsel AMBERLEA
26 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
27
28

1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to 1701 EMPIRE MINE, LLC for
8 actual damages in the amount of \$10,900.00.

9
10 Dated this 25 of October 2017.

11
12 
13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to 1701 EMPIRE MINE, LLC;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.



MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018



Notary

Steven D. Grierson

PET

Amberlea Davis

Nevada Bar Number: 11551

Law Offices of Amberlea Davis

415 S. Sixth St, Ste 300

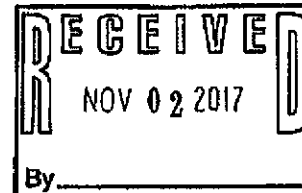
Las Vegas, NV 89101

Phone: (702) 440-8000

Email: Amber@SheIsMyLawyer.com

Attorney for: 1341 MINUET, LLC and

Successor in Interest Melani Schulte



**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

Plaintiff,

-vs-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: I

VERIFIED PETITION

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS
645.841 TO 645.8494 INCLUSIVE**

COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this Petition to request the court for an order directing payment out of the Real Estate Education Research and Recovery Fund (ERRF), overseen by The Nevada Real Estate Division, in satisfaction of said Judgment.

This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCPP"); the Nevada Rules of Professional

LAW OFFICES OF AMBERLEA DAVIS

**416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377**

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

6 7 MEMORANDUM OF POINTS AND AUTHORITIES 8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 1341 MINUET ST,
12 HENDERSON. 1341 MINUET, LLC was the owner of the residential property.
13 WILLIAM R. SCHULTE signed the lease on behalf of Petitioner and deposited
14 Petitioner's funds into Sabreco trust accounts. Sabreco failed to remit the monies
15 collected on behalf of Petitioner; instead, the Defendant used those funds to pay
16 bank fees, write and sign checks to pay Sabreco bills, as well as paid monies to
17 other clients or parties. WILLIAM R. SCHULTE and Sabreco also failed to
18 reconcile the Sabreco trust accounts. Sabreco additionally failed to file annual
19 reports to the Nevada Real Estate Division for three consecutive years (2009, 2010,
20 and 2011), acted with fraud and misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to Petitioner, and
22 further failed to disclose those wrongful acts to Petitioner and obfuscating that
23 information by not filing mandatory reports and not reconciling the bank
24 statements monthly. [Exhibit 1¹, Motion to Amend, see especially Exhibit 2 to the
25 Motion] Ultimately, William R. Schulte's Nevada Real Estate licenses and permits
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$12,402.71. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
14 the only known bank account of the Defendant, Clark County Credit Union.
15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

19
20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.

23 24 CONCLUSION

25
26 Since MELANI SCHULTE by and through her counsel AMBERLEA
27 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
28


LAW OFFICES OF AMBERLEA DAVIS

416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to 1341 MINUET, LLC for
8 actual damages in the amount of \$12,402.71.

9
10 Dated this 25 of October 2017.

11
12 
13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to 1341 MINUET, LLC;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.



MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018



Notary

Steven D. Grierson

PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
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Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: 2861 MARATHON, LLC and
Successor in Interest Melani Schulte

**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

**Plaintiff,
-vs-**

**WILLIAM R. SCHULTE,
Defendants.**

CASE: D-12-458809-D

DEPT: I

VERIFIED PETITION

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS
645.841 TO 645.8494 INCLUSIVE**

COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this Petition to request the court for an order directing payment out of the Real Estate Education Research and Recovery Fund (ERRF), overseen by The Nevada Real Estate Division, in satisfaction of said Judgment.

This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCP"); the Nevada Rules of Professional

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

6
7 **MEMORANDUM OF POINTS AND AUTHORITIES**
8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 2861 MARATHON
12 DR, . 2861 MARATHON, LLC was the owner of the residential property.
13 WILLIAM R. SCHULTE signed the lease on behalf of Petitioner and deposited
14 Petitioner's funds into Sabreco trust accounts. Sabreco failed to remit the monies
15 collected on behalf of Petitioner; instead, the Defendant used those funds to pay
16 bank fees, write and sign checks to pay Sabreco bills, as well as paid monies to
17 other clients or parties. WILLIAM R. SCHULTE and Sabreco also failed to
18 reconcile the Sabreco trust accounts. Sabreco additionally failed to file annual
19 reports to the Nevada Real Estate Division for three consecutive years (2009, 2010,
20 and 2011), acted with fraud and misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to Petitioner, and
22 further failed to disclose those wrongful acts to Petitioner and obfuscating that
23 information by not filing mandatory reports and not reconciling the bank
24 statements monthly. [Exhibit 1¹, Motion to Amend, see especially Exhibit 2 to the
25 Motion] Ultimately, William R. Schulte's Nevada Real Estate licenses and permits
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$11,228.75. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
14 the only known bank account of the Defendant, Clark County Credit Union.
15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

19
20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.


23 CONCLUSION

24
25 Since MELANI SCHULTE by and through her counsel AMBERLEA
26 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
27
28

1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to 2861 MARATHON, LLC for
8 actual damages in the amount of \$11,228.75.

9
10 Dated this 25 of October 2017.

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12 
13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to 2861 MARATHON, LLC ;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.



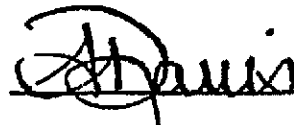
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

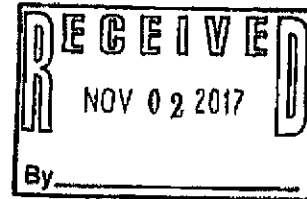
Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018



Notary

Electronically Filed
10/25/2017 11:53 PM
Steven D. Grierson
CLERK OF THE COURT1 **PET**2 **Amberlea Davis**3 **Nevada Bar Number: 11551**4 **Law Offices of Amberlea Davis**5 **415 S. Sixth St, Ste 300**6 **Las Vegas, NV 89101**7 **Phone: (702) 440-8000**8 **Email: Amber@ShesMyLawyer.com**9 **Attorney for: 8216 PEACEFUL CANYON, LLC and**10 **Successor in Interest Melani Schulte**11 **DISTRICT COURT**
12 **CLARK COUNTY NEVADA**13 **MELANI SCHULTE,**14 **Plaintiff,**15 **-VS-**16 **CASE: D-12-458809-D**17 **DEPT: 1**18 **WILLIAM R. SCHULTE,**19 **Defendants.**20 **VERIFIED PETITION**21 **VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF**
22 **THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS**
23 **645.841 TO 645.8494 INCLUSIVE**24 **COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her**
25 **attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this**
26 **Petition to request the court for an order directing payment out of the Real Estate**
27 **Education Research and Recovery Fund (ERRF), overseen by The Nevada Real**
28 **Estate Division, in satisfaction of said Judgment.**29 **This motion is based upon the Nevada Revised Statutes ("NRS"); the**
30 **Nevada Rules of Civil Procedure ("NRCF"); the Nevada Rules of Professional**

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

6
7 **MEMORANDUM OF POINTS AND AUTHORITIES**
8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 8216 PEACEFUL
12 CANYON DR, LAS VEGAS. 8216 PEACEFUL CANYON, LLC was the owner
13 of the residential property. WILLIAM R. SCHULTE signed the lease on behalf of
14 Petitioner and deposited Petitioner's funds into Sabreco trust accounts. Sabreco
15 failed to remit the monies collected on behalf of Petitioner; instead, the Defendant
16 used those funds to pay bank fees, write and sign checks to pay Sabreco bills, as
17 well as paid monies to other clients or parties. WILLIAM R. SCHULTE and
18 Sabreco also failed to reconcile the Sabreco trust accounts. Sabreco additionally
19 failed to file annual reports to the Nevada Real Estate Division for three
20 consecutive years (2009, 2010, and 2011), acted with fraud and misrepresentation
21 or deceit when deliberately collecting, depositing, keeping and spending the funds
22 belonging to Petitioner, and further failed to disclose those wrongful acts to
23 Petitioner and obfuscating that information by not filing mandatory reports and not
24 reconciling the bank statements monthly. [Exhibit 1¹, Motion to Amend, see
25 especially Exhibit 2 to the Motion] Ultimately, William R. Schulte's Nevada Real
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 Estate licenses and permits were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$10,715.00. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
14 the only known bank account of the Defendant, Clark County Credit Union.
15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

19
20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.


23 24 CONCLUSION

25
26 Since MELANI SCHULTE by and through her counsel AMBERLEA
27 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
28

1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to 8216 PEACEFUL CANYON,
8 LLC for actual damages in the amount of \$10,715.00.

9
10 Dated this 25 of October 2017.

11
12 
13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to 8216 PEACEFUL CANYON, LLC ;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.



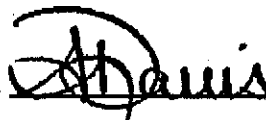
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018

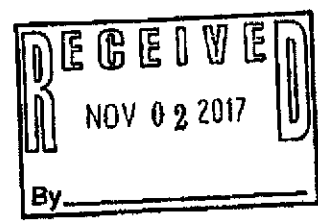


Notary

LAW OFFICES OF AMBERLEA DAVIS
416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

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Steven D. Grierson
CLERK OF THE COURT

Steven D. Grierson



PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: 5524 ROCK CREEK, LLC and
Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,	CASE: D-12-458809-D
Plaintiff,	DEPT: I
-VS-	
WILLIAM R. SCHULTE,	VERIFIED PETITION
Defendants.	

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS.
645.841 TO 645.8494 INCLUSIVE**

COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this Petition to request the court for an order directing payment out of the Real Estate Education Research and Recovery Fund (ERRF), overseen by The Nevada Real Estate Division, in satisfaction of said Judgment.

This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCPP"); the Nevada Rules of Professional

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

6
7 **MEMORANDUM OF POINTS AND AUTHORITIES**
8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 5524 ROCK
12 CREEK LANE, LAS VEGAS. 5524 ROCK CREEK, LLC was the owner of the
13 residential property. WILLIAM R. SCHULTE signed the lease on behalf of
14 Petitioner and deposited Petitioner's funds into Sabreco trust accounts. Sabreco
15 failed to remit the monies collected on behalf of Petitioner; instead, the Defendant
16 used those funds to pay bank fees, write and sign checks to pay Sabreco bills, as
17 well as paid monies to other clients or parties. WILLIAM R. SCHULTE and
18 Sabreco also failed to reconcile the Sabreco trust accounts. Sabreco additionally
19 failed to file annual reports to the Nevada Real Estate Division for three
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23 Petitioner and obfuscating that information by not filing mandatory reports and not
24 reconciling the bank statements monthly. [Exhibit 1', Motion to Amend, see
25 especially Exhibit 2 to the Motion] Ultimately, William R. Schulte's Nevada Real
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 Estate licenses and permits were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$14,590.00. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
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15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

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20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.


23 CONCLUSION

24
25 Since MELANI SCHULTE by and through her counsel AMBERLEA
26 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
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1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to 5524 ROCK CREEK, LLC for
8 actual damages in the amount of \$14,590.00.

9
10 Dated this 25 of October 2017.

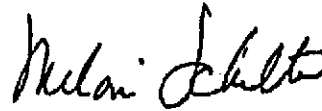
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13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to 5524 ROCK CREEK, LLC;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
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Dated this 25th day of October 2017.



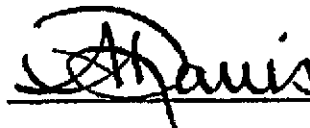
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018



Notary

Steven D. Grierson

PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: 5609 SAN ARDO, LLC and
Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,
-vs-

CASE: D-12-458809-D

DEPT: I

WILLIAM R. SCHULTE,

Defendants.

VERIFIED PETITION

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
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This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCPP"); the Nevada Rules of Professional

LAW OFFICES OF AMBERLEA DAVIS

415 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
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6 7 MEMORANDUM OF POINTS AND AUTHORITIES 8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 5609 SAN ARDO
12 PL, LAS VEGAS. 5609 SAN ARDO, LLC was the owner of the residential
13 property. WILLIAM R. SCHULTE signed the lease on behalf of Petitioner and
14 deposited Petitioner's funds into Sabreco trust accounts. Sabreco failed to remit the
15 monies collected on behalf of Petitioner; instead, the Defendant used those funds to
16 pay bank fees, write and sign checks to pay Sabreco bills, as well as paid monies to
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22 further failed to disclose those wrongful acts to Petitioner and obfuscating that
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25 Motion] Ultimately, William R. Schulte's Nevada Real Estate licenses and permits
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1 were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$10,400.00. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

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4 Recovery Fund, in satisfaction of said Judgment.

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10 Dated this 25 of October 2017.

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13 Attorney Amberlea Davis
14 Nevada Bar #11551
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2. As the successor in interest, I am the petitioner in the foregoing petition;
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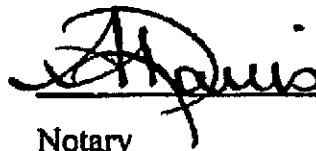
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



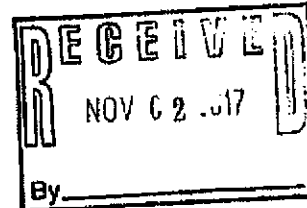
Amberlea Davis
Notary for Public
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Notary

Steven D. Grierson

PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@ShesMyLawyer.com
Attorney for: Melani Schulte



**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

**Plaintiff,
-vs-**

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: 1

VERIFIED PETITION

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LAW OFFICES OF AMBERLEA DAVIS
415 S. Sixth St., Ste. 300
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1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
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9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property owned by the Arciszewski
12 family. WILLIAM R. SCHULTE signed the lease on behalf of the Arciszewski's
13 and collected rents and a security deposit on behalf of the Arciszewskis. Those
14 funds were deposited into Sabreco trust accounts. Sabreco failed to remit the
15 monies collected on behalf of Arciszewskis; instead, the Defendant used those
16 funds to pay bank fees, write and sign checks to pay Sabreco bills, as well as paid
17 monies to other clients or parties. WILLIAM R. SCHULTE and Sabreco also failed
18 to reconcile the Sabreco trust accounts. Sabreco additionally failed to file annual
19 reports to the Nevada Real Estate Division for three consecutive years (2009, 2010,
20 and 2011), acted with fraud and misrepresentation or deceit when deliberately
21 collecting, depositing, keeping and spending the funds belonging to Petitioner, and
22 further failed to disclose those wrongful acts to Petitioner and obfuscating that
23 information by not filing mandatory reports and not reconciling the bank
24 statements monthly. [Exhibit 1¹, Motion to Amend, see especially Exhibit 2 to the
25 Motion] Ultimately, William R. Schulte's Nevada Real Estate licenses and permits
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 were revoked.]

2 The Arciszewskis sued Sabreco and Melani Schulte and Melani ultimately
3 paid off the judgment. This court ordered that William R. Schulte, the acting
4 broker and property manager, was to repay Melani on the judgment. This court
5 issued a final judgment against William R. Schulte on the bases of fraud
6 misrepresentation or deceit in the amount of \$1,556.00. [Exhibit 2, Order] and
7 [Exhibit 3, Judgment].

8 Petitioner attempted to collect on the judgment, but the judgments were
9 returned unsatisfied.

10
11 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
12 the Clark County School District. The Writs were served by the Las Vegas
13 Constable's Office and the Writ of Garnishment returned unpaid along with
14 an answered set of interrogatories and a statement that the Defendant had no
15 payroll activity during the period. [Exhibit 4, Writs CCSD].

16 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
17 the only known bank account of the Defendant, Clark County Credit Union.
18 The Writs were served by the Las Vegas Constable's Office and returned
19 unpaid along with an answered set of interrogatories and a statement that the
20 account had been closed the day before the credit union was served and that
21 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].


22
23 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
24 for "an order directing payment out of [Real Estate Education, Research and
25 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.

26
27 **CONCLUSION**
28

1
2 Since MELANI SCHULTE by and through her counsel AMBERLEA
3 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
4 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
5 been able to ascertain full payment for said Judgment, and therefore, request the
6 court for an order directing payment out of the Real Estate Education Research and
7 Recovery Fund, in satisfaction of said Judgment.

8 WHEREFORE, MELANI SCHULTE prays for the Court to Order direct
9 payment from the Real Estate Education Research and Recovery Fund, payable to
10 MELANI SCHULTE for actual damages in the amount of \$1,556.00.

11
12 Dated this 25 of October 2017.

13
14 
15 Attorney Amberlea Davis
16 Nevada Bar #11551
17 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to Melani Schulte;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.

Melani Schulte

MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018

Amberlea Davis
Notary

Steven D. Grierson

PET
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@ShelsMyLawyer.com
Attorney for: 9521 SIERRA SUMMIT, LLC and
Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,
-vs-

WILLIAM R. SCHULTE,
Defendants.

CASE: D-12-458809-D

DEPT: I

VERIFIED PETITION

**VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT OUT OF
THE EDUCATION RESEARCH RECOVERY FUND PURSUANT TO NRS
645.841 TO 645.8494 INCLUSIVE**

COMES NOW Plaintiff/Petitioner, Melani Schulte, by and through her attorney of record AMBERLEA DAVIS, in the above-entitled matter and files this Petition to request the court for an order directing payment out of the Real Estate Education Research and Recovery Fund (ERRF), overseen by The Nevada Real Estate Division, in satisfaction of said Judgment.

This motion is based upon the Nevada Revised Statutes ("NRS"); the Nevada Rules of Civil Procedure ("NRCP"); the Nevada Rules of Professional

LAW OFFICES OF AMBERLEA DAVIS
415 S. Sixth St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

1 Conduct ("NRPC"); the Nevada Rules of Appellate Procedure ("NRAP"); the
2 Eighth Judicial District Court Rules ("EDCR"); the record on file in this case; the
3 attached Affidavit of Melani Schulte; the following memorandum of points and
4 authorities; the evidence attached to the memorandum and any oral argument the
5 Court may entertain at a hearing thereon.

6 7 MEMORANDUM OF POINTS AND AUTHORITIES 8

9 Defendant/Licensee, WILLIAM R. SCHULTE, was the licensed broker and
10 permitted property manager for Sabreco, Inc. As the Licensed Broker, the
11 Defendant executed a lease on the residential property located 9521 SIERRA
12 SUMMIT AVE, LAS VEGAS. 9521 SIERRA SUMMIT, LLC was the owner of
13 the residential property. WILLIAM R. SCHULTE signed the lease on behalf of
14 Petitioner and deposited Petitioner's funds into Sabreco trust accounts. Sabreco
15 failed to remit the monies collected on behalf of Petitioner; instead, the Defendant
16 used those funds to pay bank fees, write and sign checks to pay Sabreco bills, as
17 well as paid monies to other clients or parties. WILLIAM R. SCHULTE and
18 Sabreco also failed to reconcile the Sabreco trust accounts. Sabreco additionally
19 failed to file annual reports to the Nevada Real Estate Division for three
20 consecutive years (2009, 2010, and 2011), acted with fraud and misrepresentation
21 or deceit when deliberately collecting, depositing, keeping and spending the funds
22 belonging to Petitioner, and further failed to disclose those wrongful acts to
23 Petitioner and obfuscating that information by not filing mandatory reports and not
24 reconciling the bank statements monthly. [Exhibit 1', Motion to Amend, see
25 especially Exhibit 2 to the Motion] Ultimately, William R. Schulte's Nevada Real
26

27
28 ¹ For purposes of recovery from the Fund, this Motion was the functional equivalent of a Complaint.

1 Estate licenses and permits were revoked.]

2 This court ordered a final judgment against William R. Schulte on the bases
3 of fraud misrepresentation or deceit in the amount of \$11,093.00. [Exhibit 2,
4 Order] and [Exhibit 3, Judgment].

5 Petitioner attempted to collect on the judgment, but the judgments were
6 returned unsatisfied.

7
8 A. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
9 the Clark County School District. The Writs were served by the Las Vegas
10 Constable's Office and the Writ of Garnishment returned unpaid along with
11 an answered set of interrogatories and a statement that the Defendant had no
12 payroll activity during the period. [Exhibit 4, Writs CCSD].

13 B. Petitioner, submitted for Writs Of Garnishment and Execution to be issued to
14 the only known bank account of the Defendant, Clark County Credit Union.
15 The Writs were served by the Las Vegas Constable's Office and returned
16 unpaid along with an answered set of interrogatories and a statement that the
17 account had been closed the day before the credit union was served and that
18 defendant stated he "was moving to Minnesota." [Exhibit 5, Writs CCCU].

19
20 Pursuant to NRS 645.844 (1), the petitioner may then file a verified petition
21 for "an order directing payment out of [Real Estate Education, Research and
22 Recovery] Fund, in the amount of unpaid actual damages included in the judgment.

23 CONCLUSION

24
25
26 Since MELANI SCHULTE by and through her counsel AMBERLEA
27 DAVIS, have made all legal efforts to collect on the FINAL JUDGEMENT filed
28

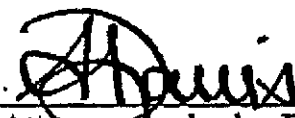
LAW OFFICES OF AMBERLEA DAVIS

416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

1 against Defendant/Licensee, WILLIAM R. SCHULTE, and have unsuccessfully
2 been able to ascertain full payment for said Judgment, and therefore, request the
3 court for an order directing payment out of the Real Estate Education Research and
4 Recovery Fund, in satisfaction of said Judgment.

5 WHEREFORE, MELANI SCHULTE, prays for the Court to Order direct
6 payment from the Real Estate Education Research and Recovery Fund, payable to
7 MELANI SCHULTE as the Successor in Interest to 9521 SIERRA SUMMIT, LLC
8 for actual damages in the amount of \$11,093.00.

9
10 Dated this 25 of October 2017.

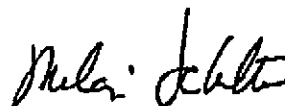
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12 
13 Attorney Amberlea Davis
14 Nevada Bar #11551
15 Attorney for: Petitioner
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VERIFICATION OF PETITION

Under penalty of perjury, I, Melani Schulte, declare that:

1. I am the successor in interest to 9521 SIERRA SUMMIT, LLC ;
2. As the successor in interest, I am the petitioner in the foregoing petition;
3. I have read the foregoing petition and know the contents thereof;
4. The facts in the pleading are true and of my own knowledge, except as to those matters stated on information and belief, and that as to such matters I believe it to be true.

Dated this 25th day of October 2017.



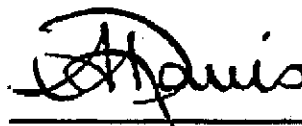
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis on this 25th day of October 2017 by Melani Schulte.



Amberlea Davis
Notary for Public
No: 14-14876-1
Exp. Oct 30, 2018



Notary

Electronically Filed
11/17/2017

Heather S. Hemin
CLERK OF THE COURT

MOOST
Amberlea Davis
Nevada Bar Number: 11551
Law Offices of Amberlea Davis
415 S. Sixth St, Ste 300
Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: 5609 SAN ARDO, LLC and
Successor In Interest Melani Schulte

**DISTRICT COURT
CLARK COUNTY NEVADA**

MELANI SCHULTE,

Plaintiff,
-VS-

WILLIAM R. SCHULTE,

Defendant.

CASE: D-12-458809-D

DEPT: I

Date of Hearing: 11/30/2017

Time of Hearing: 9:00 AM

ORAL ARGUMENT REQUESTED

**NOTICE OF MOTION AND ORDER FOR AN ORDER SHORTENING
TIME FOR A HEARING ON THE VERIFIED PETITION FOR AN ORDER
DIRECTING PAYMENT FROM ERRF FUND TO MELANI SCHULTE AS
SUCCESSOR IN INTEREST TO 5609 SAN ARDO, LLC OR IN THE
ALTERNATIVE A HEARING WITH ORAL ARGUMENTS SET IN THE
ORDINARY COURSE**

Plaintiff / Petitioner, MELANI SCHULTE as Successor in Interest to 5609
SAN ARDO, LLC, files this Motion for an Order Shortening Time or in the
Alternative for a Hearing with Oral Arguments pursuant to the Nevada Revised
Statutes, Nevada Rules of Civil Procedure, the Eighth Judicial District Court Rules

5609 SAN ARDO PL



JA0127

LAW OFFICES OF AMBERLEA DAVIS
415 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377

1 MOOST

2 **Amberlea Davis**

3 Nevada Bar Number: 11551

4 Law Offices of Amberlea Davis

5 415 S. Sixth St, Ste 300

6 Las Vegas, NV 89101

7 Phone: (702) 440-8000

8 Email: Amber@SheIsMyLawyer.com

9 Attorney for: 5609 SAN ARDO, LLC and

10 Successor In Interest Melani Schulte

11 **DISTRICT COURT**
12 **CLARK COUNTY NEVADA**

13 MELANI SCHULTE,

14 Plaintiff,

15 -vs-

16 WILLIAM R. SCHULTE,

17 Defendant.

18 CASE: D-12-458809-D

19 DEPT: I

20 Date of Hearing: 11/30/2017

21 Time of Hearing: 9:00 AM

22 ORAL ARGUMENT REQUESTED

23 **NOTICE OF MOTION AND ORDER FOR AN ORDER SHORTENING**
24 **TIME FOR A HEARING ON THE VERIFIED PETITION FOR AN ORDER**
25 **DIRECTING PAYMENT FROM ERRF FUND TO MELANI SCHULTE AS**
26 **SUCCESSOR IN INTEREST TO 5609 SAN ARDO, LLC OR IN THE**
27 **ALTERNATIVE A HEARING WITH ORAL ARGUMENTS SET IN THE**
28 **ORDINARY COURSE**

Plaintiff / Petitioner, MELANI SCHULTE as Successor in Interest to 5609 SAN ARDO, LLC, files this Motion for an Order Shortening Time or in the Alternative for a Hearing with Oral Arguments pursuant to the Nevada Revised Statutes, Nevada Rules of Civil Procedure, the Eighth Judicial District Court Rules



(EDCR 2.26, 6.60 AND 5.31), the affidavits of the Petitioner and Counsel, the papers and pleadings on file with this court and the following Memorandum of Points and Authorities. Petitioner requests that this Court shorten the time in which to hear ORAL ARGUMENTS on the VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT FROM OF THE EDUCATION RESEARCH RECOVERY FUND TO 5609 SAN ARDO, LLC.

NOTICE OF HEARING ON VERIFIED PETITION

TO: SHARATH CHANDRA, ADMINISTRATOR NRED
WILLIAM R. SCHULTE
All interested parties.

Upon good cause shown, the following:

VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT FROM
OF THE EDUCATION RESEARCH RECOVERY FUND TO 5609 SAN
ARDO, LLC

shall be heard on ~~shortened time basis~~ in the ordinary course, on the 30 day of November, 2017 at the hour of 9:00 am pm in Dept. "I" of the Family Court Division, located at 601 N. Pecos Rd, Las Vegas, NV 89101.

NOV 15 2017


DISTRICT COURT JUDGE

Submitted by:

/s/ Amberlea Davis

Attorney Amberlea Davis

Nevada Bar #11551

Attorney for: 5609 SAN ARDO, LLC
and Successor In Interest Melani Schulte

1 **MEMORANDUM OF POINTS AND AUTHORITIES**
2 **PROCEDURAL HISTORY**

3 The initial matter, the request for a judgment in favor of 5609 SAN ARDO,
4 LLC and against Defendant William R. Schulte, came for a hearing on March 8,
5 2017 and an evidentiary hearing on April 3, 2017 regarding omitted assets and
6 debts and to determine who bears responsibility for omitted debts that had not been
7 determined at the trial pursuant to NRS 125.150(3) and if a fraud,
8 misrepresentation or deceit component exists. Plaintiff Melani Schulte was present
9 at both hearings and proffered testimony. At the March 8th hearing, Melani
10 Schulte was represented by attorney Randy Richards of the law firm Kelleher &
11 Kelleher, LLC and attorney Amberlea Davis. At the April 3rd evidentiary hearing,
12 Melani Schulte was represented by attorney John Kelleher of the law firm Kelleher
13 & Kelleher, LLC and Attorney Amberlea Davis. William R. Schulte filed an
14 opposition, was at the March 8th hearing in proper person and proffered testimony.
15 William R. Schulte failed to appear at the April 3rd evidentiary hearing.

16 This court awarded 23 separate judgments to Plaintiff. The instant judgment
17 was filed on 23, and Notice of the Judgment was filed on May 25, 2017. Petitioner
18 has diligently attempted to collect the judgment amounts but has not received any
19 payments on any of the relevant judgments. Petitioner contacted the Nevada Real
20 Estate Division ("NRED") about the recovery fund (ERRF, Education Research
21 and Recovery Fund). Petitioner followed the instructions suggested by the
22 Division and filed the instant

23
24 **VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT FROM**
25 **OF THE EDUCATION RESEARCH RECOVERY FUND TO 5609 SAN**
26 **ARDO, LLC.**

27 on October 25, 2017 along with another 8 petitions. Petitioner hand delivered to
28

1 chambers an Ex Parte Motion for an Order Shortening time on the same day.
2 Shortly thereafter, counsel for the Petitioner was notified that Ex Parte Motion was
3 denied. Petitioner promptly filed a request for hearing and served NRED and
4 Defendant William R. Schulte with copies of the Petition. On November 1, 2017,
5 all nine of the Notice(s) of Hearing(s) were returned filed stamped. Three of the
6 Petitions are scheduled for February 6, 2018 with oral arguments and 6 of the
7 Petitions are scheduled for December 6, 2017 in chambers. The instant Petition has
8 a hearing date of 2/6/18.

9 *The Request*

10 *The Petitioner requests that all nine of the Petitions be heard together at a*
11 *single hearing with oral arguments and that all the Petitions be heard*
12 *expeditiously.*

13 *A hearing is required.* NRED has a right to be heard on the matter, since
14 NRED administers the recovery fund. Moreover, the statute that describes the
15 recovery procedure clearly contemplates a hearing. Specifically, NRS 645.844 (4)
16 details the elements the Petitioner must prove *at a hearing*, and 645.846 states how
17 the court may order payment from the fund "If the court finds *after the hearing*
18 *that the claim should be levied...*" (emphasis added). Thus, a hearing with time for
19 oral argument is appropriate in these circumstances.

20 *Good cause exists to hear the matter on an order shortening time.*

21 *Petitioner continues to be harmed and may suffer irreparable harm if the*
22 *matter is not heard timely.* The Petitioner suffered actual damages of \$10,400.00
23 because of the actions of William R. Schulte. Because Petitioner has not had
24 access to those funds, Petitioner has been unable to make timely mortgage
25 payments, repairs or issue refunds without borrowing money or falling behind.
26 Whereas Petitioner should have had positive cash flow, the lack of these funds
27 compounds the problems because Petitioner gets further in debt each month.
28

1 Currently the petitions that are scheduled in the Ordinary Course are being heard
2 on February 6, 2018 – over 90 days from today. This three month delay could
3 result in Petitioner failing to have funds necessary meet the terms of her bankruptcy
4 plan. Moreover, in the next three months, Petitioner anticipates that renters will be
5 moving and she will need to refund security deposits – security deposits, which
6 were collected by Defendant and never returned to the renter or the Petitioner.
7 Once the court issues an order on the matter, NRED will still need a reasonable
8 time to pay. Every day of delay is costly to the Petitioner.

9 *Delay could result in a witness being unable to attend.* On information and
10 belief, William R. Schulte has been ill. Based on the responses she received from
11 the Writs, Petitioner believes that William R. Schulte is in the process of fleeing
12 the jurisdiction. Defendant may not show at the hearing. In fact, he did not show
13 at hearings that he requested in this case, nor did he appear for the trial in case
14 number A-14-694093-C in District Court department XV on October 9th and 10th,
15 2017 even after being subpoenaed (as well as being a party). Nevertheless, if the
16 Nevada Real Estate Division wants to talk with him, sooner is better.

17 *Judicial Economy and the limited issues of the petition make this matter*
18 *appropriate for a hearing on a shortened time basis.* As a matter of judicial
19 economy, the petitions should all be heard at the same hearing since the same
20 witnesses will need to be called. As a matter of trial preparation, the judgments are
21 prima facie evidence of the damages, and the court has already determined that the
22 damages were caused by Defendant's "fraud misrepresentation or deceit."
23 Petitioner is not the spouse of the debtor, and the judgment has not been satisfied.
24 In this instance, main case has already been litigated and a Judgment had been
25 obtained. Most telling however, is that NRED has already revoked the license of
26 William R. Schulte and made findings of facts and conclusions of law and order
27
28

1 that relate to this verified petition.⁷ Specifically, NRED has already determined that
2 William R. Schulte was a licensed professional, who committed gross negligence
3 and violated NRS 645.630. The issues of fact for the hearing are therefore limited:
4 Has Petitioner complied the all the requirements of the statute; and Has Petitioner
5 made reasonable efforts to find assets to satisfy the judgment.

6 The Defendant and NRED have been served with a copy of the instant
7 petition. NRED received copies of each of the Verified Petitions on November 2,
8 2017 when the Petitions were hand delivered. Defendant was served via USPS at
9 his last known residence.

10
11 Dated this 07th day of November 2017.

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14 

Attorney Amberlea Davis

Nevada Bar #11551

Attorney for: 5609 SAN ARDO, LLC
and Successor In Interest Melani Schulte

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27 ⁷ See VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT FROM OF THE EDUCATION
28 RESEARCH RECOVERY FUND TO «PROPERTY OWNER» approximately page 27, for the
FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER from the Nevada Real Estate
Commission In re: William R. Schulte.

1 DECLARATION IN SUPPORT OF MOTION FOR AN ORDER SHORTENING
2 TIME FOR A HEARING ON THE VERIFIED PETITION FOR AN ORDER
3 DIRECTING PAYMENT FROM ERRF FUND TO MELANI SCHULTE AS
4 SUCCESSOR IN INTEREST TO 5609 SAN ARDO, LLC OR IN THE
5 ALTERNATIVE A HEARING WITH ORAL ARGUMENTS SET IN THE
6 ORDINARY COURSE

7 I, Amberlea Davis, as attorney of record for Plaintiff / Petitioner, MELANI
8 SCHULTE, under penalty of perjury under NRS 53.045, do hereby declare that:

- 9 1. MELANI SCHULTE, is the Plaintiff / Petitioner in this case and 5609 SAN
10 ARDO, LLC is the Petitioner in this case. I am counsel for 5609 SAN
11 ARDO, LLC and Melani Schulte in this case.
- 12 2. This motion is made in good faith and not for an improper purpose.
- 13 3. I have personal knowledge of the facts contained in this declaration and am
14 competent to testify to these facts.
- 15 4. The Petitioner requests her Petition be heard expeditiously due to the fact
16 that delay may cause her irreparable harm; it would be in the best interest of
17 the judicial economy and would reduce the fees and costs of the Petitioner.
- 18 5. The Defendant has been served with the instant verified petition and a copy
19 of this motion.
- 20 6. I declare under penalty of perjury under the law of the State of Nevada that
21 the foregoing is true and correct.

22 Dated this 07th day of November 2017.



Attorney Amberlea Davis

Nevada Bar #11551

Attorney for: 5609 SAN ARDO, LLC
and Successor In Interest Melani Schulte

STATE OF NEVADA)
COUNTY OF CLARK) ss:

1. I am the successor in interest to 5609 SAN ARDO, LLC. 5609 SAN ARDO, LLC is the petitioner in this case. As successor in interest, I have personal knowledge of the facts contained herein and am competent to testify to these facts.

3. I request this Petition be heard outside ordinary course because:

- a. I need these funds to pay mortgage payments, HOA payments, property insurance, property taxes, make repairs and refund security deposits.
- b. I have filed a bankruptcy for Schulte Properties LLC, 17-12883-mkn and I would use these funds to pay mortgages and HOA fees as well as other bills associated with the properties.
- c. Without these funds, I may not be able to make mortgage payments, HOA payments or other bills including refunding security deposits.
- d. The longer the delay in determining if the court will order ERRF to pay, I face greater risk of having my bankruptcy dismissed and

defaulting on my obligations, thus I am at greater risk for irreparable harm.

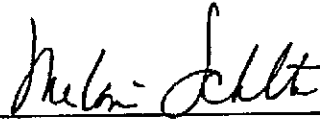
e. These issues have already been litigated.

f. Expeditiously hearing these matters would further judicial economy and would reduce the fees and costs of the Petitioner.

4. This Motion is made in good faith.

5. I declare under penalty of perjury under the law of the State of Nevada that the foregoing is true and correct.

Dated this 07th day of November 2017.



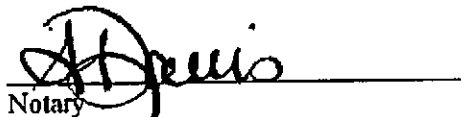
MELANI SCHULTE

State of Nevada)
)ss.
County of Clark)

Signed and sworn to before me, Amberlea Davis, on this 7th day of November, 2017, by Melani Schulte.



Amberlea Davis
Notary Public
No: 14-14876-1 Exp 10/31/2018


Notary

CERTIFICATE OF SERVICE

On November 7, 2017, I served the above

- NOTICE OF MOTION AND ORDER FOR AN ORDER SHORTENING TIME FOR A HEARING ON THE VERIFIED PETITION FOR AN ORDER DIRECTING PAYMENT FROM ERF FUND TO MELANI SCHULTE AS SUCCESSOR IN INTEREST TO 5609 SAN ARDO, LLC OR IN THE ALTERNATIVE A HEARING WITH ORAL ARGUMENTS SET IN THE ORDINARY COURSE

TO: SHARATH CHANDRA, ADMINISTRATOR NRED
NEVADA DEPT OF BUSINESS AND INDUSTRY
3300 W SAHARA AVE STE 350, LAS VEGAS NV 89102-3203
Tracking Number: 9405510200881565560552

WILLIAM R. SCHULTE
8252 NICE CT, LAS VEGAS NV 89129-7372
Tracking Number: 9400110200881565559676

By United States Mail, postage prepaid.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: 7 November 2017



Amberlea Davis



OPPS
ADAM PAUL LAXALT
Attorney General
Keith E. Kizer (Bar No. 4305)
Senior Deputy Attorney General
State of Nevada
Office of the Attorney General
555 E. Washington Avenue, Suite 3900
Las Vegas, NV 89101
(702) 486-3326 (phone)
(702) 486-3416 (fax)
kkizer@ag.nv.gov

Attorneys for Nevada Real Estate Division

DISTRICT COURT
CLARK COUNTY, NEVADA

MELANI SCHULTE, an individual,
Plaintiff,

vs.

WILLIAM R. SCHULTE,
Defendant.

Case No. D-12-458809-D

Dept. No. I

**REAL ESTATE DIVISION'S ANSWER IN OPPOSITION TO VERIFIED PETITIONS FOR
AN ORDER DIRECTING PAYMENT OUT OF THE EDUCATION RESEARCH
RECOVERY FUND**

Respondent State of Nevada, ex rel. the Real Estate Division (the "Division"), through its legal counsel, hereby opposes the nine Verified Petitions for an Order Directing Payment Out of the Education Research Recovery Fund Pursuant to NRS 645.841 to 645.8494 Inclusive (the "Petitions") filed by plaintiff/petitioner Melani Schulte ("Ms. Schulte"). This Opposition is filed pursuant to NRS 645.841 through 645.8494 and NAC 645.470 through 645.485. Pursuant to NRS 41.0341 and NRCP 12(a)(3), the Division has 45 days to file its responsive pleading in this matter and this Opposition is timely.

...

...

...

1 This Opposition is based upon the following Memorandum of Points and Authorities, and all of
2 the papers and pleadings on file herein.

3 DATED: November 16, 2017.

4 ADAM PAUL LAXALT
5 Attorney General

6 By: /s/ Keith E. Kizer
7 Keith E. Kizer (Bar. No. 04305)
8 Senior Deputy Attorney General
9

10 **MEMORANDUM OF POINTS AND AUTHORITIES**

11 **I. STANDARD OF REVIEW FOR RECOVERY FROM THE FUND**

12 The Administrator of the Division may defend any actions against the Real Estate Education,
13 Research and Recovery Fund (the "Fund"). NRS 645.845(1). The petitioner bears the burden to prove
14 to the Court that she has met *all* requirements for recovery. NRS 645.844(4). One of those
15 requirements is proof that the petitioner is not the spouse of the debtor. NRS 645.844(4)(a).

16 **II. STATEMENT OF PROCEEDINGS**

17 The proceeding before this Court is a divorce action filed by Ms. Schulte against
18 defendant/debtor William R. Schulte ("Mr. Schulte"). On or about May 18, 2017, Ms. Schulte obtained
19 final judgments against Mr. Schulte. Petitions, Exhibit(s) 3. In September 2017, Ms. Schulte, on her
20 own behalf, served a writ of garnishment on the Clark County School District, and a writ of
21 garnishment and writ of execution on the Clark County Credit Union. Petitions, Exhibits 4 and 5.

22 On or about October 25, 2017, Ms. Schultz filed nine Petitions against the Fund. The Petitions
23 are identical with the exception that each petition involves a different property that had been owned or
24 controlled by Mr. Schulte.¹
25

26 ¹ It appears Ms. Schulte filed the *nine* separate Petitions, each with a separate final judgment, due to the
27 limitation contained in NRS 645.844(1), which declares that no more than \$25,000 may be collected
28 from the Fund per judgment. Ms. Schulte's Petitions collectively ask for approximately \$94,045.46
from the Fund in this case. Moreover, the Division has already paid out Fund compensation (to non-
spouses) against Mr. Schulte.

1 **III. MS. SCHULTE IS THE SPOUSE OF THE DEBTOR**

2 In order to recover from the Fund, "the petitioner *must* show that [t]he petitioner is not the
3 spouse of the debtor." NRS 645.844(4)(a) (emphasis added). The divorce action before this Court not
4 only confirms the spousal relationship between Ms. and Mr. Schulte, but this action could not otherwise
5 be before this Court. Ms. Schulte cannot satisfy the legislative requirement set forth in statute, and her
6 Petitions should be denied.

7 **IV. CONCLUSION**

8 The Division respectfully requests that the Court deny the Petition because Ms. Schulte has not
9 met, and cannot meet, all requirements for Fund recovery, as argued above.

10 DATED: November 16, 2017.


11 ADAM PAUL LAXALT
12 Attorney General

13 By: / s / Keith E. Kizer
14 Keith E. Kizer (Bar. No. 04305)
15 Senior Deputy Attorney General
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The following participants in this case are registered electronic filing systems users and will be served electronically:

/ s / Danielle Wright
Danielle Wright, an employee of
the office of the Nevada Attorney General



1 **Reply**
 2 **Amberlea Davis**
 3 Nevada Bar Number: 11551
 4 Law Offices of Amberlea Davis
 5 415 S. Sixth St, Ste 300
 6 Las Vegas, NV 89101
 7 Phone: (702) 440-8000
 8 Email: Amber@SheIsMyLawyer.com
 9 Attorney for: Melani Schulte as an individual, and as
 10 Successor in Interest to 1701 EMPIRE MINE LLC,
 11 CHERISH LLC, 2861 MARATHON LLC,
 12 1341 MINUET LLC, 8216 PEACEFUL CANYON LLC
 13 5524 ROCK CREEK LLC, 5609 SAN ARDO LLC,
 14 and 9521 SIERRA SUMMIT LLC

10 **DISTRICT COURT**
 11 **CLARK COUNTY NEVADA**

<p> 13 MELANI SCHULTE, 14 15 Plaintiff, 16 -VS- 17 WILLIAM R. SCHULTE, 18 19 Defendants. </p>	<p> CASE: D-12-458809-D DEPT: I Hearing Date: November 30, 2017 Hearing Time: 9 am Petitioners' Consolidated Reply to Real Estate Division's Answer in Opposition to Verified Petitions </p>
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20 Melani Schulte, as an individual and as successor in interest to 1701 EMPIRE MINE
 21 LLC, CHERISH LLC, 2861 MARATHON LLC, 1341 MINUET LLC, 8216 PEACEFUL
 22 CANYON LLC, 5524 ROCK CREEK LLC, 5609 SAN ARDO LLC, and 9521 SIERRA
 23 SUMMIT LLC, hereby files this consolidated reply to the Nevada Real Estate Divisions
 24 Opposition to the Motion for an Order Directing Payment Out of the Education Research
 25 Recovery Fund.

26 The Nevada Real Estate Division (NRED) timely filed an opposition and a hearing is
 27 already scheduled. Although the court has already seen all of this evidence, NRED may not be
 28

1 aware of all the pleadings thus, the Petitioners file this reply pursuant to the Nevada Revised
2 Statutes, Nevada Rules of Civil Procedure, the Eighth Judicial District Court Rules, the affidavit
3 of Melani Schulte, the papers and pleadings on file with this court and the following
4 Memorandum of Points and Authorities.

5 **MEMORANDUM OF POINTS AND AUTHORITIES**

6 **PROCEDURAL HISTORY**

7 The initial matters, the request for judgments in favor of the Petitioners and against
8 Defendant William R. Schulte, came for a hearing on March 8, 2017 and an evidentiary hearing
9 on April 3, 2017 regarding omitted assets and debts, and to determine who bears responsibility
10 for omitted debts that had not been determined at the trial pursuant to NRS 125.150(3) and if a
11 fraud, misrepresentation or deceit component exists. Plaintiff Melani Schulte was present at both
12 hearings and proffered testimony. At the March 8th hearing, Melani Schulte was represented by
13 attorney Randy Richards of the law firm Kelleher & Kelleher, LLC and attorney Amberlea
14 Davis. At the April 3rd evidentiary hearing, Melani Schulte was represented by attorney John
15 Kelleher of the law firm Kelleher & Kelleher, LLC and Attorney Amberlea Davis. William R.
16 Schulte filed an opposition, attended the March 8th hearing in proper person, and proffered
17 testimony. William R. Schulte failed to appear at the April 3rd evidentiary hearing.

18 This court awarded 23 separate judgments – 9 of those judgments are at issue here.
19 Petitioners have diligently attempted to collect the judgment amounts but have not received any
20 payments on any of the relevant judgments. Petitioners contacted the Nevada Real Estate
21 Division (“NRED”) about the recovery fund (ERRF, Education Research and Recovery Fund).
22 Petitioner followed the instructions suggested by the Division and filed the 9 verified petitions on
23 October 25, 2017. NRED filed a single opposition to all 9 petitions. This reply is from all nine
24 petitioners and is consolidated.

25 **Issues Raised by NRED**

26 **Petitioner May Not Be the Spouse of the Debtor**

27 The enabling statute requires that the petitioner “is not the spouse of the
28

1 debtor." NRS 645.844(4)(a) emphasis added.

2 Ms. Schulte IS NOT the spouse of the debtor. As NRED notes, this case was
3 an action for divorce. Ms. Schulte *was* married to the debtor, William R. Schulte,
4 but they are no longer married (in fact, the Schulte's were divorced on July 8,
5 2013). [Exhibit 1, Decree of Divorce] Moreover the motions for judgments were
6 filed more than three years after the divorce was granted.

7 In only one instance is the petitioner Melani Schulte. In that particular
8 instance, the Arciszewski family ("Arciszewskis") sued Melani Schulte, as an
9 individual, for the return of a security deposits and funds held by Sabreco Inc., the
10 property management company operated by the permitted property manager,
11 William R. Schulte. [Exhibit 2, Arciszewskis] William R. Schulte signed the lease
12 and management contract and received any deposits, but did not refund the deposits
13 to the Arciszewskis. Melani Schulte ended up paying the entire amount of the
14 Arciszewskis' claim of \$1,556 in open court. [Exhibit 3, Case Register] The
15 judgment for Melani Schulte and against William R. Schulte was to reimburse
16 Melani Schulte for the claims that were made by the Arciszewskis that were based
17 on William R. Schulte's fraud, misrepresentation, or deceit.

18 As for the other 8 verified petitions, the petitioners are the Nevada Limited
19 Liability Companies who owned the respective properties. Although Melani
20 Schulte has become the successor in interest to the individual LLCs, the judgments
21 belong to the respective LLCs and payment can be directed to the LLCs. NRED's
22 argument has no merit as to the petitions of the LLCs since an LLC cannot be a
23 spouse under Nevada law.

24 Limitations on Judgments

25 In Footnote 1 of NREDs Opposition, NRED seems to be suggesting that the
26 combined judgments are in violation of NRS 645.844(1). NRS 645.844(1) states
27 that the fund may pay out "unpaid actual damages included in the judgment, but
28

1 not more than \$25,000 per judgment. NRED then attempts to combine the amounts
2 of the separate judgments, but does not brief the issue. NRED does not deny that
3 the judgments were entered individually nor does NRED address that the
4 judgments were issued to the LLCs.

5 LEGAL ARGUMENT

6 NRED does not indicate that the statute is unclear or ambiguous. Therefore
7 the court should give difference to the plain meaning of the statute. NRS 645.844
8 states the grounds and procedure for recovery:

9
10 **NRS 645.844 Recovery from Fund: Procedure; grounds; amount;
hearing.**

11 1. Except as otherwise provided in subsection 2, when any person obtains a
12 final judgment in any court of competent jurisdiction against any licensee or
13 licensees pursuant to this chapter, upon grounds of fraud, misrepresentation or
14 deceit with reference to any transaction for which a license is required pursuant to
15 this chapter, that person, upon termination of all proceedings, including appeals in
16 connection with any judgment, may file a verified petition in the court in which
17 the judgment was entered for an order directing payment out of the Fund in the
18 amount of the unpaid actual damages included in the judgment, but not more than
19 \$25,000 per judgment. The liability of the Fund does not exceed \$100,000 for any
20 person licensed pursuant to this chapter, whether the person is licensed as a
21 limited-liability company, partnership, association or corporation or as a natural
22 person, or both. The petition must state the grounds which entitle the person to
23 recover from the Fund.

24 2. A person who is licensed pursuant to this chapter may not recover from
25 the Fund for damages which are related to a transaction in which the person acted
26 in his or her capacity as a licensee.

27 3. A copy of the:

28 (a) Petition;
(b) Judgment;
(c) Complaint upon which the judgment was entered; and
(d) Writ of execution which was returned unsatisfied, must be served upon the
Administrator and the judgment debtor and affidavits of service must be filed with
the court.

4. Upon the hearing on the petition, the petitioner must show that:

(a) The petitioner is not the spouse of the debtor, or the personal
representative of that spouse.

(b) The petitioner has complied with all the requirements of NRS 645.841 to
645.8494, inclusive.

(c) The petitioner has obtained a judgment of the kind described in subsection

1, stating the amount thereof, the amount owing thereon at the date of the petition, and that the action in which the judgment was obtained was based on fraud, misrepresentation or deceit of the licensee in a transaction for which a license is required pursuant to this chapter.

(d) A writ of execution has been issued upon the judgment and that no assets of the judgment debtor liable to be levied upon in satisfaction of the judgment could be found, or that the amount realized on the sale of assets was insufficient to satisfy the judgment, stating the amount so realized and the balance remaining due.

(e) The petitioner has made reasonable searches and inquiries to ascertain whether the judgment debtor possesses real or personal property or other assets, liable to be sold or applied in satisfaction of the judgment, and after reasonable efforts that no property or assets could be found or levied upon in satisfaction of the judgment.

(f) The petitioner has made reasonable efforts to recover damages from each and every judgment debtor.

(g) The petition has been filed no more than 1 year after the termination of all proceedings, including reviews and appeals, in connection with the judgment.

5. The provisions of this section do not apply to owner-developers.

(Added to NRS by 1967, 1044; A 1973, 1764; 1975, 1555; 1979, 1555; 1981, 1615; 1985, 1276; 1987, 1048; 1997, 170; 2005, 666)

“When a statute is facially clear, we will give effect to the statute’s plain meaning.”
High Noon At Arlington Ranch Homeowners Ass’n, v. Eighth Judicial Dist. Court
(Nev., Sept. 27, 2017)

NRED first argues that Melani Schulte is the spouse of the licensee. To the extent that this court wants to entertain a discussion of the meaning of the word “is”, Oxford Dictionary defines “is” as “third person singular present of be.”¹ The keyword is “present”. Melani Schulte is not presently the spouse of the licensee, and the LLCs have never been spouses of the licensee.

As for the combination of the judgments into a singular judgment or amount, the Legislature clearly indicated their intent that judgments to be separate from claimants, because they amended the statute in 1985 and specifically changed “claimants” to “judgments”. Moreover, the Nevada Supreme Court has stated that

¹ Oxford Dictionary, <https://en.oxforddictionaries.com/definition/is> (retrieved Nov. 27, 2017).

1 in a recovery case like this one, "The number of claimants in a joint action is
2 irrelevant; only the number of judgments they received together is determinative of
3 their recovery under the ERRF." *Administrator of the Real Estate Educ., Research*
4 *and Recovery Fund v. Buhecker*, 945 P.2d 954, 113 Nev. 1147 (Nev., 1997). In this
5 instance, the judgments are separate and thus payments should be directed on the
6 judgments separately.

7 **Conclusion**

8
9 Since the judgments are individually issued to LLCs and Melani Schulte, the
10 Petitioners have met all of the requirements and are not presently the spouse of the
11 licensee, the orders directing payments from the EERF fund should be issued.

12
13
14 Dated November 18, 2017.

15
16
17 

18 Attorney Amberlea Davis
19 Nevada Bar #11551

20 Attorney for, Melani Schulte as an individual, and as
21 Successor in Interest to 1701 EMPIRE MINE LLC,
22 CHERISH LLC, 2861 MARATHON LLC,
23 1341 MINUET LLC, 8216 PEACEFUL CANYON LLC
24 5524 ROCK CREEK LLC, 5609 SAN ARDO LLC,
25 and 9521 SIERRA SUMMIT LLC
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of the law firm of AMBERLEA DAVIS,
and that on 11/28/2017 I did deposit a true and correct copy of:

- **Petitioners' Consolidated Reply to Real Estate Division's Answer in Opposition to
Verified Petitions**

in the United States Mail at Las Vegas, Nevada, enclosed in a sealed envelope, priority mail,
postage prepaid, addressed as follows:

WILLIAM R. SCHULTE
8252 NICE CT
LAS VEGAS NV 89129-7372

SHARATH CHANDRA
ADMINISTRATOR NRED
NEVADA DEPT OF BUSINESS AND INDUSTRY
3300 W SAHARA AVE STE 350
LAS VEGAS NV 89102-3203
PRIORITY MAIL Tracking Number: 9405510200829586208213



An employee of AMBERLEA DAVIS

FILED

APR 19 2018

Alfred D. Blum
CLERK OF COURT

COPY

EIGHTH JUDICIAL DISTRICT COURT

FAMILY DIVISION

CLARK COUNTY, NEVADA

MELANI SCHULTE,)	CASE NO. D-12-458809-D
)	DEPT. I
Plaintiff,)	
)	APPEAL NO. 75477
vs.)	
)	SEALED
WILLIAM R. SCHULTE,)	
)	
Defendant.)	

BEFORE THE HONORABLE CHERYL B. MOSS

TRANSCRIPT RE: ALL PENDING MOTIONS

THURSDAY, NOVEMBER 30, 2017

1 APPEARANCES:

2 The Plaintiff:
3 For The Plaintiff:

MELANI SCHULTE
AMBERLEA S. DAVIS, ESQ.
415 South 6th Str., Ste. 300
Las Vegas, Nevada 89101

5 The Defendant:
6 For The Defendant:

WILLIAM R. SCHULTE (Not present)
Pro Se

7 Other:
8 For Other:

NEVADA REAL ESTATE DIVISION AGENCY
KEITH E. KIZER, ESQ.
555 East Washington Ave., Ste. 3200
Las Vegas, Nevada 89101

1 LAS VEGAS, NEVADA

THURSDAY, NOVEMBER 30, 2017

2 P R O C E E D I N G S

3 (THE PROCEEDING BEGAN AT 09:29:29.)

4 THE COURT: Is there another attorney who's supposed to be here?

5 MR. KIZER: Just...

6 THE COURT: Oh you are the...

7 MR. KIZER: Yeah, yeah. I'm Keith...

8 THE COURT: Are you with attorney general's...

9 MR. KIZER: ...Kizer with the attorney general's office, 4305.

10 THE COURT: Okay.

11 MR. KIZER: Nevada's Real Estate Division.

12 THE COURT: Okay. He looks like Mr. Schulte.

13 MS. DAVIS: Well, but he's a much nicer...

14 THE COURT: Yeah.

15 MS. DAVIS: ...guy I'm sure.

16 MR. KIZER: I would agree with that.

17 THE COURT: At first I did a double take, like this is -- okay.

18 This is a sealed case, just the party and counsel in the
19 courtroom. 458809. Melani Schulte. And William Schulte not present.

20 Was he served at his last known?

21 MS. DAVIS: Yes, he was, Your Honor, multiple times.

22 THE COURT: One, two, three, four, five, six, seven, eight, nine
23 motions. All of the same thing, just different properties. And what's the
24 NRS that governs? Chapter 645 if I'm not...

25 MS. DAVIS: 645.841 (indiscernible).

1 THE COURT: Okay. Well, you've read their opposition from the
2 attorney general.

3 MS. DAVIS: Yes, ma'am.

4 THE COURT: Is the statute read differently?

5 MS. DAVIS: Well, we filed a reply.

6 THE COURT: Okay.

7 MS. DAVIS: We had that hand-delivered to Your Honor. Do you have a
8 copy of that?

9 THE COURT: I was late in trial last night again. So do you have an
10 extra copy?

11 MS. DAVIS: Yes, I do, Your Honor. And, Your Honor...

12 THE COURT: (Indiscernible) why I didn't get the reply. Sent home
13 last night.

14 MS. DAVIS: I -- I double sided it. I didn't know if you would need
15 it in its -- but the -- the front pages are all in the big 14-point type.
16 The exhibits which you've already seen are double printed. But I have
17 bigger copies if you need me to pull them out.

18 THE COURT: The issue is how we would apply NRS 645.257.

19 MS. DAVIS: And -- and, Your Honor, there's a couple points. And we
20 do address them in our reply. The...

21 THE COURT: No, not 257.

22 MS. DAVIS: ...statute was changed to say judgments, not claimants.
23 So there's a footnote there.

24 THE COURT: When was the change?

25 MS. DAVIS: About five years ago or so. Oh quite a while ago, may be

1 longer.

2 THE COURT: Okay. The enabling statute requires that petitioner is
3 not the spouse of the debtor, 645.844, subsection 4(a).

4 MS. DAVIS: And that's...

5 THE COURT: And you're saying that she is not the spouse of the
6 debtor.

7 MS. DAVIS: She is not currently.

8 THE COURT: She's the former spouse.

9 MS. DAVIS: She is the former.

10 THE COURT: I thought about that. Does the statute apply to former
11 spouse?

12 MS. DAVIS: There's nothing in the Nevada -- the Nevada...

13 THE COURT: Is it she was the former spouse, she wasn't the spouse at
14 the time of the judgment...

15 MS. DAVIS: She was not at the time of the...

16 THE COURT: ...being issued?

17 MS. DAVIS: ...the time of the judgment.

18 THE COURT: Okay.

19 MS. DAVIS: And there is one case that -- that deals with kind of the
20 opposite issue, which was on -- which was on the claimant issue. The
21 two...

22 THE COURT: Okay. Let's take a look...

23 MS. DAVIS: The two...

24 THE COURT: ...at that case. What case do you cite?

25 MS. DAVIS: That was the -- I believe the -- the Buckner (ph) case.

1 THE COURT: Buckner. Is that in your reply?
2 MS. DAVIS: That's 945. That's in the reply.
3 THE COURT: Okay. Let's take a look.
4 MS. DAVIS: In the Buckner case, though, the claimants were married.
5 They weren't -- they were not married to the licensee. Neith- neither
6 party was married to the licensee. And that's where the court...
7 THE COURT: The claimants were whom?
8 MS. DAVIS: The claimants were the Buckners.
9 THE COURT: The married couple.
10 MS. DAVIS: The married couple.
11 THE COURT: Okay.
12 MS. DAVIS: The licensee, neither of the Buckners were married...
13 THE COURT: It was a third party.
14 MS. DAVIS: ...to the licensee. Right.
15 THE COURT: Okay.
16 MS. DAVIS: And in...
17 THE COURT: And...
18 MS. DAVIS: ...that one, that's where the Nevada Supreme Court says
19 claims not judgments. But it's -- they give direction in that case about
20 how there's -- there is a division. But it is not on point for whether or
21 not is liens present or current.
22 THE COURT: The case isn't on point because of the relationship.
23 They were...
24 MS. DAVIS: Right.
25 THE COURT: They were two people, married couple, that was suing the

1 licensee. In this case we have two people who are former spouses.

2 MS. DAVIS: Former spouses, yes.

3 THE COURT: Okay. All right.

4 Can -- what was your name again, counsel?

5 MR. KIZER: Keith Kizer, K-I-Z-E-R; 4305, Senior Deputy Attorney
6 General.

7 THE COURT: For civil litigation division?

8 MR. KIZER: Ye- yes, yes.

9 THE COURT: Okay.

10 MR. KIZER: And I represent the real estate division, administrative
11 matters, and then in matters like this.

12 THE COURT: Very good. Okay. So your interpretation of the statute?

13 MR. KIZER: Yes, yes. And, Your Honor, when I had the reply
14 yesterday, I did find a case, which I've shared with Ms. Davis on a
15 California Court of Appeals that's addressed this issue. If I may
16 approach?

17 THE COURT: Okay. Did she get a copy?

18 MR. KIZER: Yes.

19 MS. DAVIS: Yes.

20 THE COURT: Okay. Califor-...

21 MR. KIZER: I highlighted the three or four sentences.

22 THE COURT: Okay. One of our sister states. But it's a
23 California...

24 MR. KIZER: Right. That's...

25 THE COURT: ...case.

1 MR. KIZER: That's the only case I can find.

2 THE COURT: Okay.

3 MR. KIZER: I looked at it from various different states because this
4 is kind of a Uniform Act, the ERRF Act. So in that situation you'll see
5 that the same requirements, subsection A, about not being the spouse. In
6 that situation the -- I think the marriage might have been later annulled
7 or what the proper...

8 MS. DAVIS: Yeah, it was -- it was...

9 MR. KIZER: ...(indiscernible).

10 MS. DAVIS: ...annulled...

11 THE COURT: (Indiscernible) so...

12 MS. DAVIS: ...within a month.

13 MR. KIZER: Yeah, but they said because the fraud occurred during
14 between the day of the marriage and the annulment that the prohibition
15 against recovery by the spouse applied.

16 THE COURT: Were the parties and the annulment already in place valid
17 before the -- they were already annulled before the filing of the petition
18 to recover funds? Is that critical, the timing of it?

19 MR. KIZER: Well, in this case it was based on when -- were they
20 married at the time the fraud occurred? That's what the court looked at.

21 THE COURT: Okay.

22 MR. KIZER: And that's what we have here.

23 THE COURT: Okay.

24 MR. KIZER: And the court said, well it said one of two things. One,
25 you're out of luck in that situation. You're -- you're the spousal. When

1 the fight -- when the fight occurred, you were the spouse. The fact that
2 later the marriage was annulled is not relevant. The second thing that
3 kind of in addition to the plain language, you'll see on page four, it
4 talks about, and if I may quote, the obvious reason for that exemption --
5 exception is set forth in subsection A, is where the victim and the
6 fraudulent actor are married, the reliance is more likely based on a
7 marital relationship within the trust therein involved than on the license.
8 And...

9 THE COURT: Okay.

10 MR. KIZER: ...so...

11 THE COURT: And that reliance is in the ca- in that case, is as real
12 in the case of a voidable marriage as it is in the case of a valid
13 marriage. And it follows that insofar as liability. The fund is based on
14 frauds committed in that time period. Recovery is barred. So if a fraud
15 occurred during the marriage, recovery is barred. Is that how -- what they
16 said?

17 MR. KIZER: Yes.

18 THE COURT: Okay.

19 MS. DAVIS: Your Honor, I would take exception to this for a couple
20 of reasons.

21 THE COURT: Okay.

22 MS. DAVIS: Number one, this fraud was able to happen because Mr.
23 Schulte was the broker at Sabreco and was taking money. This was not about
24 trust within their marriage. He used his license to do this. And these
25 properties were supposed to be managed completely separately with payments

1 going to the LLCs. And it was only then...

2 THE COURT: What was her role? As a shareholder?

3 MS. DAVIS: She was a shareholder of the LLC. She acquired the
4 properties. They had investors on those LLCs. She was supposed to manage
5 those LLCs. But not the renting of it.

6 THE COURT: Right.

7 MS. DAVIS: There's loans on those LLCs and the names of the LLCs.
8 He took that money as Sabreco. This wasn't a trust within the marriage.
9 This is he was acting as a real estate broker doing this. Also this is a
10 1979 case. If the Nevada Legislature had intended for it to exempt former
11 spouses, they certainly had the right in all these decades to change that.

12 THE COURT: There's a reason why they put the word spouse in the
13 statute.

14 MS. DAVIS: In present tense.

15 THE COURT: And the legislative intent behind that would be? Anybody
16 go behind the legislative intent to the...

17 MS. DAVIS: I -- I did. There is -- there is a...

18 THE COURT: ...645.844?

19 MS. DAVIS: In the present tense of is, they intended it not to be
20 where there could be defrauding going on where one co- one member of the
21 spouse, the community, takes it and the other one recovers from the fund.

22 THE COURT: Yeah.

23 MS. DAVIS: And it still goes into the community. But that lent
24 itself to an air of fraud. This -- this isn't that kind of case. She
25 discovered this as we're trying to go through and -- and prepare this.

1 THE COURT: Just timing, so we have a record, she petitioned for the
2 recovery post divorce.

3 MS. DAVIS: Yes, ma'am.

4 THE COURT: Her status was former spouse.

5 MS. DAVIS: Yes, ma'am.

6 THE COURT: The statute only says spouse. You would argue that would
7 interpret it as a current spouse seeking to recover from the other spouse.

8 MS. DAVIS: Yes. I would argue it two ways.

9 THE COURT: Is there a distinction between...

10 MS. DAVIS: There's...

11 THE COURT: ...former spouse, current spouse?

12 MS. DAVIS: ...current spouse versus former spouse. And the money
13 was defrauded from the LLCs. We had requested the judgments in remains of
14 the LLCs with Melani being the successor in interest to the LLCs.

15 THE COURT: As a matter of public policy, who is the victim?

16 MS. DAVIS: The victim would be...

17 THE COURT: The -- the person damaged? A company? Its shareholders?
18 Not just her personally?

19 MS. DAVIS: Right. It was the individual comp- the limited liability
20 companies.

21 THE COURT: Are there other shareholders with her?

22 MS. DAVIS: There were note holders and...

23 THE COURT: She's not a sole owner.

24 MS. DAVIS: ...she's now the sole owner.

25 THE COURT: Oh okay.

1 MS. DAVIS: That's where it gets all the complications.
2 THE COURT: Mr. Kizer.
3 MR. KIZER: Your Honor, I -- I -- I guess just a few points based on
4 that. Just...
5 THE COURT: Is it relevant that there -- that she's the sole owner
6 or...
7 MR. KIZER: Well, I think it's...
8 THE COURT: ...there are other, third parties, being hurt by this?
9 MR. KIZER: Right. I think there's actually three aspects, who was
10 -- who was running the business back when the fraud occurred, the current
11 situation and then the third parties that are involved here. So...
12 THE COURT: Right.
13 MR. KIZER: This being a divorce action, my understanding, I've never
14 been in a divorce action as a non-party. So and I can tell you when I did,
15 is when I went in there was actually two parties. There was me and a very
16 amazing woman who used to be my wife.
17 THE COURT: Okay.
18 MR. KIZER: Judgments, as I understand it, go to parties. I don't
19 understand, you know, a judgment to a non-party. Here the parties are Mr.
20 Schulte and Mrs. -- Mrs. Schulte.
21 THE COURT: Yeah.
22 MR. KIZER: That's it.
23 THE COURT: Yeah.
24 MR. KIZER: So no matter how the judgments were crafted, these
25 judgments are for Mrs. Schulte. In fact, the writs that were filed to

1 collect on Mr. Schulte, Petition Exhibits 4 and 5, aren't made on behalf of
2 Melani Schulte, not -- not on LLCs. The -- they're married at the time.
3 So the fact that it's now a -- a former spouse, that case explains the
4 reasoning behind the Uniform Act, why they have that restriction there on
5 spouses. It's not limited to, I'll just get divorced and get it. I guess
6 it can be kind of maybe spousal immunity or spousal privilege the fact that
7 you later get divorced doesn't lose your spousal privilege if for testimony
8 things like that I would think and again I'm not -- I'm not a family...

9 THE COURT: Right. Right.

10 MR. KIZER: ...law judge -- excuse me, judge or attorney.

11 THE COURT: Right.

12 MR. KIZER: In -- in fact, Mr. Schulte was no longer licensed at the
13 time of the divorce. So if that date is somehow the touchstone date, he
14 wasn't a licensee and wouldn't be within our purview anyway of the fund. I
15 don't think that's a relevant fact. But in case someone wants to say the
16 point of relevancy is the date of divorce, then again he wasn't a licensee
17 at that time. So that wouldn't even -- that can't come into play there.

18 But the -- I think what that case gets into and why we're here
19 where we're here -- and -- and, yes, the legislature didn't change it after
20 that California decision saying, oh wait a second. Other cases -- other
21 states are saying this. We wanna make it sure that former spouses get some
22 new rights back. Again, it would go against the whole reasoning that is
23 they had this special relationship. It wasn't a business relationship. It
24 was a marital relationship. And the fund isn't there to...

25 THE COURT: And why would they put spouse in the statute? That's my

1 question.

2 MR. KIZER: Well, I think the -- the case...

3 THE COURT: What did...

4 MR. KIZER: ...explains it.

5 THE COURT: What's the public policy behind ex- make an...

6 MR. KIZER: Well...

7 THE COURT: ...exception for spouse?

8 MR. KIZER: The point, I guess, to look at it the other way, why is
9 there an ERRF fund? Well, the ERRF fund is basically those who get into a
10 relationship with a licensee in a capacity for which a license is needed.

11 THE COURT: Yes.

12 MR. KIZER: So I've had situations ERRF fund (indiscernible) for
13 example where a guy doesn't pay back another guy on a contract. And he
14 just happens to be a real estate broker. And wait, that's not -- that may
15 be fraud in the contract. But that contract had nothing to do with you
16 being his tenant or you being his landlord, et cetera. And so it has to be
17 something in that capacity. So usually what you see is a renter moves out.
18 And I think this was mentioned as well by plaintiff, you know, renter will
19 move out. There won't be a security deposit there.

20 THE COURT: Yeah.

21 MR. KIZER: There's no way to collect from the broker. Then they can
22 come to the fund and they can say, you know, he didn't pay me the \$2000
23 security deposit. They make the claim on the fund. The fund pays it out.
24 That's what it's there for.

25 THE COURT: Ms. Davis seems to suggest that it's spouses supposedly.

1 Maybe they work in concert and because of their status as married people,
2 if one of the spouses uses the -- or misuses funds or redirects funds, then
3 the other spouse should not be able to collect because of the fact that
4 they were married.

5 MS. DAVIS: And -- and -- and there's -- when I read the legislative
6 history, this was one of the arguments that they (indiscernible)...

7 THE COURT: Yeah, but she claims to be an innocent spouse.

8 MS. DAVIS: She's an innocent spouse. In -- in those cases...

9 THE COURT: Yeah, yeah.

10 MS. DAVIS: ...I think there's some -- some wrongdoing and -- and
11 so...

12 THE COURT: There -- there's a statute, public policy to prevent two
13 spouses together from (indiscernible) committing some kind of fraud...

14 MS. DAVIS: Yeah.

15 THE COURT: ...or defrauding, which if it is found that way, then no
16 recovery should be had.

17 MS. DAVIS: I -- I think if there's fraud there shouldn't be a
18 recovery. If the fraud -- I'm sorry. Fraud by both spouses on -- on this
19 fund.

20 MR. KIZER: Well, I think fraud by any -- any petitioner and
21 licensee, certainly. But that's -- that's -- you don't need to be a spouse
22 or not be a spouse to be a co-conspirator. And -- and I guess it goes back
23 to the fact, too, that these -- these LLCs, when the fraud occurred, they
24 were being run and owned by Mr. Schulte. So if somehow they -- that --
25 that -- for you to get to where you need to go, I believe, that you had to

1 show that Mister -- fault -- Schulte committed fraud upon his self or his
2 alter ego...

3 THE COURT: Yeah.

4 MR. KIZER: ...and then later because Mrs. Schulte received the
5 properties in a divorce settlement...

6 THE COURT: Yes.

7 MR. KIZER: ...that somehow she gets to prop up that marital property
8 or get her divorce settlement paid off by the people of Nevada.

9 THE COURT: Question, she's never been filed against...

10 MS. DAVIS: Well...

11 THE COURT: ...for...

12 MS. DAVIS: She...

13 THE COURT: She's...

14 MS. DAVIS: The one...

15 THE COURT: ...had to defend a lot of other civil lawsuits.

16 MS. DAVIS: She's had to defend -- defend these lawsuits.

17 THE COURT: But she's never been found to be any status that Mr.
18 Schulte was found to be.

19 MR. KIZER: No.

20 MS. DAVIS: No.

21 MR. KIZER: No, no.

22 MS. DAVIS: No.

23 THE COURT: Well, that might -- I don't know if that's relevant or
24 relevant fact. Okay.

25 MR. KIZER: It's -- it would be relevant, I believe, to her defense

1 is if someone came after her and -- and -- and the easy answer there is if
2 someone's not -- has not been paid by Mr. Schulte -- and in these cases, I
3 think it's all talked about security deposits. So a renter moves out
4 tomorrow. He or she or they didn't -- did not get their security deposit
5 back. The company does not have the security deposit. Send her to us.

6 THE COURT: This is a...

7 MS. DAVIS: Well, and we've...

8 THE COURT: ...very -- this...

9 MS. DAVIS: We've tried that. And...

10 THE COURT: This is gonna be a very narrow dis- ruling...

11 MS. DAVIS: Yeah.

12 THE COURT: ...on this one.

13 MS. DAVIS: The Arciszewskis...

14 THE COURT: Is there anything else?

15 MS. DAVIS: The Arciszewskis, for example, filed against Melani
16 Schulte. And that's -- that's the one we cite. And that's the one
17 judgment that has made (indiscernible)...

18 THE COURT: Back in my mind too if there is any equal protection
19 clauses on this if, you know, one, why is the word spouse in there; two, is
20 there any discrimination if because of a spousal status? I think it's
21 gonna be a very narrow ruling. Okay. (Indiscernible).

22 MS. DAVIS: So -- so to answer your question.

23 THE COURT: But this is what I think.

24 MS. DAVIS: The Arciszewskis were...

25 THE COURT: Okay.

1 MS. DAVIS: ...a prime example. They sued. They -- they did not sue
2 Mr. Schulte or Sabreco. They sued Melani Schulte.

3 THE COURT: And the idea is you don't want a married couple -- and
4 I'm not ascribing this to Ms. Schulte -- to Ms. Schulte -- married couples
5 defrauding...

6 MS. DAVIS: Right.

7 THE COURT: ...people.

8 MS. DAVIS: Nobody should want married couple.

9 THE COURT: And because (indiscernible)...

10 MS. DAVIS: Nobody should want the state of Nevada defrauded.

11 THE COURT: All right.

12 MR. KIZER: Right.

13 THE COURT: Number one.

14 MR. KIZER: I...

15 THE COURT: Yeah. 645.844 is the ga- I guess subsection 4(a), is the
16 governing statute. The word spouse is in the statute. But at the time she
17 filed her action for recovery from the ERF -- is that what it's called?

18 MR. KIZER: E-R -- yeah.

19 THE COURT: ERF.

20 MR. KIZER: Yes.

21 THE COURT: She was a former spouse, not a current spouse. So the
22 word in the statute says spouse, spouse means just what it is. You have to
23 be married to Mr. Schulte. She was not married. So I don't think that
24 exception would apply if she was the former spouse. Again, this is a very
25 narrow ruling. Three, the Court, and these are the findings.

1 MR. KIZER: Okay.

2 MS. DAVIS: Okay.

3 THE COURT: The Court looked at the public policy behind the statute
4 of puttin' the word spouse...

5 MS. DAVIS: Okay.

6 THE COURT: ...in there and why spouse should be in there. I think
7 the idea, again, is what I said is that married couples shouldn't act in
8 concert to defraud.

9 Fourth finding, one, the statute applies; two, difference. I
10 find a distinction between current and former spouse; three, the public
11 policy between spouse and the -- the status of being a spouse is to a-
12 void having married couples work in concert to defraud other parties.

13 Fourth, I asked, as a matter of factual finding if Ms. Schulte
14 has ever been found to commit any kind of business fraud on the customers
15 of the company as I presume. I do not see that in this case. So she is
16 found not to have committed any fraud this ca- and cases have -- other
17 civil cases have been going on.

18 And it's been the length of time also. So if any action
19 would've been taken, it could've been taken as far back as a year or two
20 years ago since I was handling the divorce proceeding. So I don't find her
21 to be a person who committed fraud. And she is already now a former
22 spouse. Very narrow ruling. And because of that, I think the exception
23 should not apply and a recovery should be had.

24 I would preserve this, certify this as a final decision. It
25 would be interesting if this is taken up to a higher court and they find a

1 different interpretation from me. And I don't do a lot of civil litigation
2 obviously in terms of I'm in the domestic arena. But we are still -- I
3 mean, I still went to law school and passed the bar exam. So we have to
4 interpret statutes...

5 MS. DAVIS: Yes.

6 THE COURT: ...in this regard. And I'm not -- don't claim to be an
7 expert on it.

8 MR. KIZER: I thank...

9 THE COURT: Yeah.

10 MR. KIZER: Well, thank you, Your Honor.

11 THE COURT: Very narrow ruling. Yes.

12 MR. KIZER: And I guess there's also an issue of amounts. So...

13 THE COURT: So certify it as a final decision.

14 MR. KIZER: Okay.

15 THE COURT: Yeah.

16 MR. KIZER: So then the issue is how much she gets from the fund is
17 also at -- at...

18 THE COURT: Ooh...

19 MR. KIZER: ...issue here.

20 THE COURT: With the filing of an appeal, that might stay the...

21 MR. KIZER: Right.

22 THE COURT: ...execution of any judgments.

23 MR. KIZER: Well, I guess the question is, in your order, how much
24 are you gonna tell the fund to pay? And the -- the reason this is brought
25 up is for twofold. One is, there's a -- a limit of \$100,00 per...

1 THE COURT: Claim.
2 MR. KIZER: ...claim -- no, no, per licensee.
3 THE COURT: Per licensee.
4 MR. KIZER: Yeah. So there's been (indiscernible)...
5 THE COURT: For all -- for all...
6 MR. KIZER: Right.
7 THE COURT: ...claims.
8 MR. KIZER: If there was a million people over the -- after the
9 licensee, it would be prorated.
10 THE COURT: And what did Ms. Davis claim for the total amounts?
11 MS. DAVIS: I believe he had (indiscernible)...
12 THE COURT: Established...
13 MR. KIZER: I had that, yeah.
14 MS. DAVIS: ...difference. It's ninety...
15 MR. KIZER: Ninety-four and...
16 MS. DAVIS: ...four...
17 MR. KIZER: ...change.
18 THE COURT: Okay. So it's under a hundred and K.
19 MR. KIZER: But...
20 THE COURT: So let's
21 MR. KIZER: But there's been payments of seventy-seven thousand and
22 eighty dollars made so far. So that would be put over it.
23 THE COURT: Offset...
24 MR. KIZER: But...
25 THE COURT: ...or credited...

1 MR. KIZER: ...also...

2 THE COURT: ...credited.

3 MR. KIZER: ...the issue here is the case that was mentioned is she
4 had to pay -- I think it's in -- it's in -- it's in the reply brief. She
5 had to pay -- she had to reimburse the security deposit for fifteen hundred
6 and sixty dollars or something like that.

7 THE COURT: Okay.

8 MR. KIZER: That's the only money that's been paid out with respect
9 to any of this fraud that occurred on the tenants.

10 THE COURT: One thousand five hundred.

11 MS. DAVIS: The Arciszewskis case. And...

12 THE COURT: She paid it out and then she recovered it from the fund.

13 MR. KIZER: She hasn't recovered it.

14 MS. DAVIS: No, she has not.

15 THE COURT: She has not. So that's pending.

16 MS. DAVIS: The other amounts, and -- and this is where my present
17 counsel is mistaken. The other amounts, actually, we proved and brought
18 information to prove where she was damaged.

19 THE COURT: Have you filed the full accounting with the court?

20 MS. DAVIS: We have done that in court. We brought the giant
21 notebooks. Mr. Schulte...

22 THE COURT: And took her testimony.

23 MS. DAVIS: Yes. And Mr. Schulte, of course, made us all do that and
24 then didn't show up again.

25 THE COURT: And those amounts should be contained in the prior order.

1 MS. DAVIS: Yeah. They are contained...
2 THE COURT: Post judgment.
3 MR. KIZER: Yeah, I...
4 MS. DAVIS: ...in the...
5 THE COURT: Post decree.
6 MR. KIZER: I didn't -- I didn't -- yeah (indiscernible). Is
7 there...
8 THE COURT: You need to attach those exhibits.
9 MR. KIZER: What were they for? Were they for paying out security
10 deposits?
11 MS. DAVIS: Security deposits and collected rents that were not...
12 THE COURT: Mm-hm.
13 MR. KIZER: And those -- that money has been paid to people?
14 MS. DAVIS: The -- Ms. Schulte had to repay and was damaged.
15 MR. KIZER: Okay. So there's proof that these people...
16 MS. DAVIS: Yes.
17 MR. KIZER: ...these people came, said, you -- I don't have my
18 security deposit. Here you go.
19 MS. DAVIS: Yes.
20 MR. KIZER: Yeah, I would -- I would have to hope that we can get
21 some evidence of that 'cause that would be relevant.
22 THE COURT: It's in the orders.
23 MR. KIZER: Okay. Okay.
24 THE COURT: They came in...
25 MR. KIZER: I appreciate that.

1 THE COURT: ...a while ago. We took testimony under oath. And it
2 was established. And the orders were signed. Those judgments were filed
3 on or about May 18th, a bunch of them. And then a couple more followed on
4 May 23rd.

5 MR. KIZER: Okay.

6 THE COURT: Three more on those. And then one more on May 24th. One
7 more on May 25th, this year.

8 MS. DAVIS: Yes.

9 THE COURT: (Indiscernible). So there's I don't know how many total.

10 MR. KIZER: Okay.

11 THE COURT: But...

12 MR. KIZER: I -- I -- I...

13 MS. DAVIS: And those were -- we actually supplied those to
14 (indiscernible).

15 MR. KIZER: (Indiscernible) attached to the...

16 THE COURT: I'm going to direct...

17 MR. KIZER: ...reply?

18 MS. DAVIS: Those were -- not the reply. They were attached
19 initially when we sent over a giant (indiscernible)...

20 MR. KIZER: Okay. I'll get it with my client, Your Honor. Thank
21 you.

22 THE COURT: Yes. If you need to access -- 'cause this is a sealed
23 case, the deed is...

24 MR. KIZER: And that's the problem. Yeah, we didn't even know...

25 THE COURT: We can...

1 MR. KIZER: ...where to file the answer.
2 THE COURT: ...give you access. So...
3 MR. KIZER: Okay.
4 THE COURT: ...what we'll do here is...
5 MR. KIZER: Thank you.
6 THE COURT: ...we'll print you the registry of actions. I'll print
7 it. And anything you need, you can call my JEA to get a...
8 MR. KIZER: Okay.
9 THE COURT: ...printed copy. We can e-mail them PDF of any all
10 judgments and orders in this case.
11 MR. KIZER: Great. Thank you.
12 THE COURT: It's a long case.
13 MR. KIZER: I know. I know.
14 THE COURT: It started out in 2012, I believe.
15 MR. KIZER: I didn't even know where to file the answer. And -- and
16 one last point, just because...
17 THE COURT: Yes.
18 MR. KIZER: ...I (indiscernible) before. This is a lot of money,
19 it's (indiscernible) money and you had mentioned the uncertainty of it, can
20 we -- how do I request a stay...
21 THE COURT: Absolutely. I think...
22 MR. KIZER: ...pending an appeal or can we just put that into place?
23 THE COURT: Yeah, you have to follow the NRAP. So what I do is I
24 certify this. I'm gonna direct Ms. Davis to file an order with findings of
25 fact, conclusions of law. And I think it's just a legal interpretation.

1 MR. KIZER: Gotcha.

2 THE COURT: It doesn't require an evidentiary hearing.

3 MR. KIZER: Right, agree.

4 THE COURT: 'Cause I haven't heard it from the other side if they

5 requested an evidentiary hearing. If you feel he wants it, I think...

6 MR. KIZER: No.

7 THE COURT: Yeah, okay. So it's just legal interpretation with all

8 findings. There are only five findings I made there, so.

9 MS. DAVIS: And may I -- did your -- did your clerk write the

10 protections (indiscernible)...

11 THE COURT: I believe she took 'em down.

12 MR. KIZER: Yeah, (indiscernible)...

13 MS. DAVIS: ...minutes?

14 THE COURT: And feel free to get a copy of today's video. And I

15 pronounced it on the record. So direct her -- Mr. Kizer will approve as to

16 form and content. The Court will sign off. You have to do a notice of

17 entry order, serve it on Mr. Kizer and Mr. Schulte, his last know address.

18 Wait for the 30 days. If they file the appeal, then the appeal would

19 automatically divest this court of jurisdiction and a stay. You have to

20 apply for the stay because enforcement of the order...

21 MR. KIZER: Right.

22 THE COURT: ...is still ongoing until you...

23 MR. KIZER: Yeah, I'm just not certain that I...

24 THE COURT: ...file it.

25 MR. KIZER: Oh sorry.

1 THE COURT: No, I think you file it with the supreme court, motion
2 for stay.

3 MR. KIZER: Yeah, that's why I was uncertain about whether I needed
4 to first file a motion here and get it denied before I file a motion with
5 them for stay.

6 THE COURT: That would be called a Huneycutt Motion.

7 MR. KIZER: Okay. Interesting.

8 THE COURT: You can file it here.

9 MR. KIZER: Okay.

10 THE COURT: And then I would have to state my inclination whether I
11 would grant a stay of...

12 MR. KIZER: Okay.

13 THE COURT: ...enforcement or not. But if you want to go straight,
14 direct to the supreme court and file a motion for stay, probably I think
15 that's the better venue.

16 MR. KIZER: Okay.

17 THE COURT: Yeah. I think...

18 MR. KIZER: I'm sure this deputy's more wiser than me. I can ask
19 him.

20 THE COURT: Yes, you can try it actually in either court, the
21 Huneycutt Motion. Okay. So once that's certified, then it'll -- it'll go
22 upstairs, I mean -- I mean, to the higher court. I say upstairs.

23 THE CLERK: (Indiscernible) a copy (indiscernible).

24 THE COURT: Print the print button. Oh you want one for counsel.

25 THE CLERK: (Indiscernible).

1 THE COURT: Yes.

2 MS. DAVIS: Thank you, Your Honor.

3 THE COURT: I will direct you also to attach those fourteen, fifteen

4 judgments from the May hearing or the May filings so that will be part of

5 the record.

6 MS. DAVIS: And, Your Honor, should we attach all twenty-three? We

7 only filed verified petitions on nine of these. There were twenty-three.

8 THE COURT: Yeah, only nine that applies then. So the nine judgments

9 that go hand in hand with that.

10 MS. DAVIS: Thank you, Your Honor.

11 THE COURT: That makes sense. You don't need the others then. So

12 there's nine.

13 MS. DAVIS: Okay.

14 THE COURT: Okay. That should do it. And this case will -- I don't

15 know if I'll close it out. I'll close it out 'cause you already have your

16 order...

17 MR. KIZER: (Indiscernible).

18 THE COURT: ...upon the filing of the order. Yes. Very good.

19 Can...

20 MS. DAVIS: Thank you.

21 MR. KIZER: Thank you.

22 THE COURT: Thank you, counsel.

23 MS. DAVIS: Thank you, Your Honor.

24 THE COURT: Appreciate it.

25 (Whereupon the matter was trailed at

1 09:54:59 and recalled at 09:55:13.)

2 THE COURT: Mr. Kizer, you said something about the public puts money

3 into these funds, I guess the taxpayers.

4 MR. KIZER: Well, no, the money actually is a special assessment

5 against all licensees.

6 THE COURT: Yes, so they -- when you get a license...

7 MR. KIZER: Yes.

8 THE COURT: ...a portion of it...

9 MR. KIZER: (Indiscernible).

10 THE COURT: ...goes to (indiscernible).

11 MR. KIZER: ...and I believe if I'm not mistaken...

12 THE COURT: Kind of like our IOLTA trust...

13 MR. KIZER: Yeah.

14 THE COURT: ...fund, yeah.

15 MR. KIZER: And the -- my understanding is (indiscernible) any --

16 every -- every fiscal year -- fiscal year biennium anything over 300,000,

17 there -- there's always at least \$300,000 in that fund. Excess

18 (indiscernible)...

19 THE COURT: How much?

20 MR. KIZER: Three-hundred thousand.

21 THE COURT: Oh. Oh.

22 MR. KIZER: And ex- excess might go to the general fund for the --

23 for the ability. But it still has the ability to then pay. But the two

24 big restrictions though monetarily of course of a hundred thousand that

25 we've talked about the twenty-five thousand we talked about

1 (indiscernible)...

2 THE COURT: So to your division this is a large...

3 MR. KIZER: Yeah.

4 THE COURT: ...payout for ninety-four thousand.

5 MR. KIZER: It is. It is.

6 THE COURT: Yeah.

7 MR. KIZER: And like I said, one -- one of my bigger concerns was not

8 so much -- I mean, we could have...

9 THE COURT: I wasn't aware of that, so a mat- as a matter of public

10 policy...

11 MR. KIZER: Yeah.

12 THE COURT: ...you would argue that it's a -- it's a large payout.

13 MR. KIZER: It's a max payout.

14 THE COURT: Yeah. The fund was intended to pay out maybe smaller

15 amounts as a matter of...

16 MR. KIZER: Yeah.

17 THE COURT: ...historical practice.

18 MR. KIZER: And that's my concern if we had fifty...

19 THE COURT: Duly noted.

20 MR. KIZER: ...people who didn't get their twenty thousand or two

21 thousand dollars...

22 THE COURT: And so I was...

23 MR. KIZER: ...deposits.

24 THE COURT: ...thinking, okay now in light of that -- it's not gonna

25 change my decision obviously. But in light of that, I think the impact of

1 my ruling will be that it's to keep business going in Nevada. To keep
2 businesses viable, not to just pay me back, take -- take my money and then
3 take off, you know, somewhere else. So I think that's kind of -- I want
4 you to know what my reasoning was on that as well. Granted, yes, it is eye
5 opening that it is gonna be about a third if she gets paid out on this
6 ninety-four K. And I don't want -- it might -- it's not -- I don't think
7 it's gonna destroy the -- the -- the existence of the fund.

8 MR. KIZER: No.

9 THE COURT: But too, I think as a matter of public policy in the
10 state, businesses should be able -- and she's doing her best, I think in
11 her argument, to keep the businesses viable. And it's to also give that
12 policy to make to keep businesses going in Nevada. So I'm gonna have that
13 sixth finding there.

14 THE CLERK: Okay.

15 THE COURT: So one was the statute applies; two, former versus
16 current spouse; three, the idea of spouse at the time she may be of the
17 spouse is to prevent spouses together in acting in concert to defraud;
18 four, the fraud, she hasn't been found fraudulent; and five was -- oh boy.
19 I can't read my own handwriting.

20 MR. KIZER: It's the part about the businesses.

21 THE COURT: Continuing businesses.

22 MS. DAVIS: That was number six, I think.

23 MR. KIZER: Okay.

24 THE COURT: That was six. I don't remember what five was.

25 MR. KIZER: I don't know what one is.

1 MS. DAVIS: Yeah.
2 THE COURT: What one was?
3 MR. KIZER: Yeah, (indiscernible).
4 MS. DAVIS: Five was -- five is the one...
5 THE COURT: One was the applicability of the statute. The statute
6 applies.
7 MR. KIZER: (Indiscernible).
8 MS. DAVIS: Oh.
9 THE COURT: 645.844
10 MR. KIZER: Okay. Then current versus former.
11 THE COURT: And then the idea of spouses not working in concert to
12 defraud is number three. Number four, she wasn't found fraudulent.
13 MS. DAVIS: Number five...
14 THE COURT: Number five...
15 MS. DAVIS: ...is the time.
16 THE COURT: I think it's accounting maybe.
17 MS. DAVIS: (Indiscernible) I...
18 THE COURT: So...
19 MS. DAVIS: You had -- I had here it was the time.
20 THE COURT: 'Cause I think -- I think it's actually five findings,
21 the public policy of allowing businesses -- continuing businesses I think
22 is what I wrote.
23 MS. DAVIS: 'Cause I have...
24 THE COURT: Six was ju- the sixth thing was just to direct you to do
25 the order and attach your accountings.

1 MS. DAVIS: Okay. 'Cause you also me enter that Ms. Schulte was
2 never found...
3 THE COURT: That's number four.
4 MS. DAVIS: That's...
5 MR. KIZER: Four.
6 MS. DAVIS: ...part of number four.
7 THE COURT: Finding number four.
8 MS. DAVIS: Okay.
9 THE COURT: Very good.
10 MS. DAVIS: And then I also had -- for fifth, I had length of time,
11 that this was done years after.
12 THE COURT: That's part of number four.
13 MS. DAVIS: That's also number four. Okay.
14 THE COURT: She'd been in all these litigations. She's never been
15 found fraudulent.
16 MS. DAVIS: Okay.
17 THE COURT: I can't really talk the talk on this one. But real
18 estate's...
19 MR. KIZER: (Indiscernible) us too.
20 THE COURT: Yes. Fantastic. Thank you, counsel.
21 MR. KIZER: Thank you.
22 MS. DAVIS: All right.
23 THE COURT: All right.
24 MS. DAVIS: Thank you.
25 THE COURT: It'll be interesting to see what happens with this case.

1 (Whereupon the matter was trailed at

2 09:59:18 and recalled at 09:59:55.)

3 THE COURT: Back on? We're back on. I'm sorry. I pronounce it is
4 hereby ordered that your petition is -- request motion is granted.

5 UNIDENTIFIED SPEAKER: Thank you, Your Honor.

6 THE COURT: Okay.

7 UNIDENTIFIED SPEAKER: Thank you, Your Honor.

8 THE COURT: Thank you. Okay.

9 (THE PROCEEDING ENDED AT 10:00:05.)

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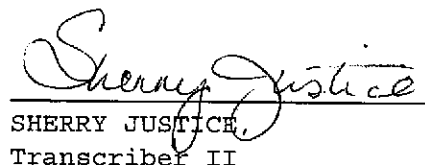
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12

13 ATTEST: I do hereby certify that I have truly and correctly
14 transcribed the digital proceedings in the above-entitled case to the best
15 of my ability.

16

17


SHERRY JUSTICE,
Transcriber II

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Steven D. Grierson

ORD

Amberlea Davis
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Law Offices of Amberlea Davis
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Las Vegas, NV 89101
Phone: (702) 440-8000
Email: Amber@SheIsMyLawyer.com
Attorney for: 1701 EMPIRE MINE, LLC
and Successor in Interest Melani Schulte

DISTRICT COURT
CLARK COUNTY NEVADA

MELANI SCHULTE,

Plaintiff,

-VS-

WILLIAM R. SCHULTE,

Defendants.

CASE: D-12-458809-D

DEPT: I

**ORDER DIRECTING PAYMENT OUT OF THE EDUCATION RESEARCH
AND RECOVERY FUND AND TO THE SUCCESSOR IN INTEREST TO 1701
EMPIRE MINE, LLC MELANI SCHULTE**

This matter came before the court for a hearing on November 30, 2017. Melani Schulte was present and represented by Attorney Amberlea Davis. Senior Deputy Attorney General Keith Kizer from the Nevada Attorney General's office was present representing the Sharath Chandra, Administrator of Nevada Real Estate Division guardian of the Education Research and Recovery Fund (ERRF Fund). William R. Schulte failed to appear at the November 30 hearing.

Attorney Kizer proffered that \$7,080.41 has been paid by the ERRF fund and that approximately \$92,919.59 was still available in the fund to pay claims against

1701 EMPIRE MINE, LLC

LAW OFFICES OF AMBERLEA DAVIS

416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377

Non-Trial Dispositions:
☐ Other
☐ Dismissed - Want of Prosecution
☐ Involuntary (Statutory) Dismissal
☐ Default Judgment
☐ Transferred
☐ Deposed After Trial Start
☐ Judgment Reached by Trial
Setback/Withdrawal:
☐ Without Judicial Conf/Hrg
☐ With Judicial Conf/Hrg
☒ By ADR
Trial Dispositions:
☐ Judgment Reached by Trial

2018-02-20

001

1 William R. Schulte. Plaintiff Melani Schulte was present and proffered testimony.
2 Twenty-Two judgments were entered against William R. Schulte totaling over
3 \$200,000. However, the Plaintiff filed verified petitions only on nine of the twenty-
4 two judgments. The total of the nine verified petitions was approximately \$94,945.
5 The Court has reviewed and considered the verified petition, the pleadings and oral
6 argument.

7
8 **FINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER**
9

10 **THE COURT FINDS** that the Petitioner has met the requirements of NRS
11 645.841 et seq.

12 **THE COURT FINDS** NRS 645.844 (4)(a) applies.

13 **THE COURT FINDS** the "spouse exception" does not apply in this case
14 because Plaintiff is a former spouse. At the time Plaintiff filed her action for
15 recovery from the ERRF, Plaintiff was a former spouse not a current spouse and
16 she is not married to the Defendant, therefore, the exception does not apply.

17 Further, the Court looked at the public policy pertaining to the word
18 "spouse" in the NRS statute. The statute is designed to prevent married couples
19 acting in concert to defraud other parties.

20 **THE COURT FINDS** that the Plaintiff has never been found to have
21 committed any type of business fraud concerning the former community property
22 assets she was awarded in the divorce.

23 **THE COURT FINDS** public policy also warrants that persons such as
24 Plaintiff should be encouraged to keep businesses viable in Nevada. Otherwise,
25 there would be less business conducted in Nevada. Here, Plaintiff has always acted
26 in good faith concerning her duties in managing the former community property
27 assets and ensuring no further harm to the tenants, paying restitution, and getting
28

1701 EMPIRE MINE, LLC

1 the businesses up to par.

2 **THE COURT FINDS** that the fund is limited to \$100,000 per licensee and
3 that \$7,080.41 has already been paid from the ERRF fund on the license of William
4 R. Schulte.

5 **THE COURT FINDS** that the fund is limited to \$25,000 per judgment.

6 **THE COURT FINDS** that the nine verified petitions have separate
7 judgments.

8 **THE COURT FINDS** that this judgment is for \$10,900.00, which is less
9 than the \$25,000 per judgment limit.

10 **THE COURT FINDS** that because of the fund limits, that the total of these
11 nine judgments may not exceed \$92,919.59.

12 If any conclusions of law are properly findings of fact, they shall be treated
13 as if appropriately identified and designated.

14
15 **ORDER**

16
17 **THE COURT ORDERS** that Plaintiffs motion is granted.

18 **THE COURT ORDERS** and directs the Administrator of the Real Estate
19 Research and Recovery Fund (EERF) to pay Melani Schulte the successor in
20 interest to 1701 EMPIRE MINE, LLC the amount of \$10,900.00.

21 **THE COURT ORDERS** and directs the Administrator of the Real Estate
22 Research and Recovery Fund (EERF) may prorate or offset the payment so that the
23 nine individual judgments do not collectively total more than \$92,919.59.

24 **THE COURT ORDERS** that Plaintiff's prior accounting (for paid security
25 deposits and collected rent) from the nine (9) Judgements that apply, which were
26 filed on or about 5/18/17, 5/23/17, 5/24/17, and 5/25/17 shall be attached as
27 exhibits to the Order from today's hearing.

28
1701 EMPIRE MINE, LLC

LAW OFFICES OF AMBERLEA DAVIS

416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702.518-4377

1 THE COURT ORDERS that all previously filed Judgments and Orders
2 may be e-mailed to Attorney Kizer by the Judicial Executive Assistant (JEA) for
3 Department I as he does not have access in this sealed case.

4 THE COURT ORDERS the Registry of Actions be printed and provided
5 them to both Counsel IN OPEN COURT.

6 THE COURT ORDERS that this is a final order.

7
8 Dated January 29, 2018.

9
10
11 
12 DISTRICT COURT JUDGE

13
14 Respectfully Submitted:

15 /s Amberlea Davis

16 Law Offices of Amberlea Davis

17 415 S. Sixth St, Ste 300

18 Las Vegas, NV 89101

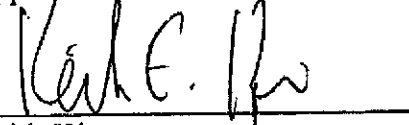
19 Phone: (702) 440-8000

20 Email: Amber@ShelsMyLawyer.com

21 Attorney for: 1701 EMPIRE MINE, LLC

22 and Successor in Interest Melani Schulte

23 Approved as to Form and Content:

24 

25 Keith Kizer

26 Senior Deputy Attorney General

27 State of Nevada - Office of the Attorney General

28 555 E Washington Avenue, Ste. 3900

Las Vegas, NV 89101

1701 EMPIRE MINE, LLC

Steven D. Grierson

1 **ORD**

2 **Amberlea Davis**

3 Nevada Bar Number: 11551

4 Law Offices of Amberlea Davis

5 415 S. Sixth St, Ste 300

6 Las Vegas, NV 89101

7 Phone: (702) 440-8000

8 Email: Amber@ShelsMyLawyer.com

9 Attorney for: CHERISH, LLC

10 and Successor in Interest Melani Schulte

11 **DISTRICT COURT**

12 **CLARK COUNTY NEVADA**

13 **MELANI SCHULTE,**

14 **Plaintiff,**

15 **-vs-**

16 **WILLIAM R. SCHULTE,**

17 **Defendants.**

18 **CASE: D-12-458809-D**

19 **DEPT: I**

20 **ORDER DIRECTING PAYMENT OUT OF THE EDUCATION RESEARCH**
21 **AND RECOVERY FUND AND TO THE SUCCESSOR IN INTEREST TO**
22 **CHERISH, LLC MELANI SCHULTE**

23 This matter came before the court for a hearing on November 30, 2017.
24 Melani Schulte was present and represented by Attorney Amberlea Davis. Senior
25 Deputy Attorney General Keith Kizer from the Nevada Attorney General's office
26 was present representing the Sharath Chandra, Administrator of Nevada Real
27 Estate Division guardian of the Education Research and Recovery Fund (ERRF
28 Fund). William R. Schulte failed to appear at the November 30 hearing.

Attorney Kizer proffered that \$7,080.41 has been paid by the ERRF fund and
that approximately \$92,919.59 was still available in the fund to pay claims against

CHERISH, LLC

LAW OFFICES OF AMBERLEA DAVIS
415 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377

1 William R. Schulte. Plaintiff Melani Schulte was present and proffered testimony.
2 Twenty-Two judgments were entered against William R. Schulte totaling over
3 \$200,000. However, the Plaintiff filed verified petitions only on nine of the twenty-
4 two judgments. The total of the nine verified petitions was approximately \$94,945.
5 The Court has reviewed and considered the verified petition, the pleadings and oral
6 argument.

7
8 **FINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER**

9
10 **THE COURT FINDS** that the Petitioner has met the requirements of NRS
11 645.841 et seq.

12 **THE COURT FINDS** NRS 645.844 (4)(a) applies.

13 **THE COURT FINDS** the "spouse exception" does not apply in this case
14 because Plaintiff is a former spouse. At the time Plaintiff filed her action for
15 recovery from the ERRF, Plaintiff was a former spouse not a current spouse and
16 she is not married to the Defendant, therefore, the exception does not apply.

17 Further, the Court looked at the public policy pertaining to the word
18 "spouse" in the NRS statute. The statute is designed to prevent married couples
19 acting in concert to defraud other parties.

20 **THE COURT FINDS** that the Plaintiff has never been found to have
21 committed any type of business fraud concerning the former community property
22 assets she was awarded in the divorce.

23 **THE COURT FINDS** public policy also warrants that persons such as
24 Plaintiff should be encouraged to keep businesses viable in Nevada. Otherwise,
25 there would be less business conducted in Nevada. Here, Plaintiff has always acted
26 in good faith concerning her duties in managing the former community property
27 assets and ensuring no further harm to the tenants, paying restitution, and getting
28

CHERISH, LLC

1 the businesses up to par.

2 **THE COURT FINDS** that the fund is limited to \$100,000 per licensee and
3 that \$7,080.41 has already been paid from the EERF fund on the license of William
4 R. Schulte.

5 **THE COURT FINDS** that the fund is limited to \$25,000 per judgment.

6 **THE COURT FINDS** that the nine verified petitions have separate
7 judgments.

8 **THE COURT FINDS** that this judgment is for \$12,060.00, which is less
9 than the \$25,000 per judgment limit.

10 **THE COURT FINDS** that because of the fund limits, that the total of these
11 nine judgments may not exceed \$92,919.59.

12 If any conclusions of law are properly findings of fact, they shall be treated
13 as if appropriately identified and designated.

14
15 **ORDER**

16
17 **THE COURT ORDERS** that Plaintiffs motion is granted.

18 **THE COURT ORDERS** and directs the Administrator of the Real Estate
19 Research and Recovery Fund (EERF) to pay Melani Schulte the successor in
20 interest to CHERISH, LLC the amount of \$12,060.00.

21 **THE COURT ORDERS** and directs the Administrator of the Real Estate
22 Research and Recovery Fund (EERF) may prorate or offset the payment so that the
23 nine individual judgments do not collectively total more than \$92,919.59.

24 **THE COURT ORDERS** that Plaintiff's prior accounting (for paid security
25 deposits and collected rent) from the nine (9) Judgements that apply, which were
26 filed on or about 5/18/17, 5/23/17, 5/24/17, and 5/25/17 shall be attached as
27 exhibits to the Order from today's hearing.

28
CHERISH, LLC

LAW OFFICES OF AMBERLEA DAVIS

416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377

1 **THE COURT ORDERS** that all previously filed Judgments and Orders
2 may be e-mailed to Attorney Kizer by the Judicial Executive Assistant (JEA) for
3 Department I as he does not have access in this sealed case.

4 **THE COURT ORDERS** the Registry of Actions be printed and provided
5 them to both Counsel IN OPEN COURT.

6 **THE COURT ORDERS** that this is a final order.

7
8 Dated January 29, 2018.

9
10
11 
12 DISTRICT COURT JUDGE

13
14 Respectfully Submitted:
15 /s Amberlea Davis

16 **Law Offices of Amberlea Davis**

17 415 S. Sixth St, Ste 300

18 Las Vegas, NV 89101

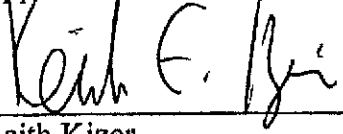
19 Phone: (702) 440-8000

20 Email: Amber@ShelsMyLawyer.com

21 Attorney for: CHERISH, LLC

22 and Successor in Interest Melani Schulte

23 Approved as to Form and Content:

24 
25 Keith Kizer

26 Senior Deputy Attorney General

27 State of Nevada - Office of the Attorney General

28 555 E Washington Avenue, Ste. 3900

Las Vegas, NV 89101

CHERISH, LLC

Amber B. Davis

1 ORD

2 Amberlea Davis

3 Nevada Bar Number: 11551

4 Law Offices of Amberlea Davis

5 415 S. Sixth St, Ste 300

6 Las Vegas, NV 89101

7 Phone: (702) 440-8000

8 Email: Amber@SheIsMyLawyer.com

9 Attorney for: 1341 MINUET, LLC

10 and Successor in Interest Melani Schulte

11 DISTRICT COURT

12 CLARK COUNTY NEVADA

13 MELANI SCHULTE,

14 Plaintiff,

15 -vs-

16 WILLIAM R. SCHULTE,

17 Defendants.

18 CASE: D-12-458809-D

19 DEPT: I

20 **ORDER DIRECTING PAYMENT OUT OF THE EDUCATION RESEARCH**
21 **AND RECOVERY FUND AND TO THE SUCCESSOR IN INTEREST TO 1341**
22 **MINUET, LLC MELANI SCHULTE**

23 This matter came before the court for a hearing on November 30, 2017.
24 Melani Schulte was present and represented by Attorney Amberlea Davis. Senior
25 Deputy Attorney General Keith Kizer from the Nevada Attorney General's office
26 was present representing the Sharath Chandra, Administrator of Nevada Real
27 Estate Division guardian of the Education Research and Recovery Fund (ERRF
28 Fund). William R. Schulte failed to appear at the November 30 hearing.

Attorney Kizer proffered that \$7,080.41 has been paid by the ERRF fund and
that approximately \$92,919.59 was still available in the fund to pay claims against

1341 MINUET, LLC

LAW OFFICES OF AMBERLEA DAVIS
416 S. 6th St., Ste. 300
Las Vegas, Nevada 89101
Telephone: 702-518-4377

1 William R. Schulte. Plaintiff Melani Schulte was present and proffered testimony.
2 Twenty-Two judgments were entered against William R. Schulte totaling over
3 \$200,000. However, the Plaintiff filed verified petitions only on nine of the twenty-
4 two judgments. The total of the nine verified petitions was approximately \$94,945.
5 The Court has reviewed and considered the verified petition, the pleadings and oral
6 argument.

7
8 **FINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER**
9

10 **THE COURT FINDS** that the Petitioner has met the requirements of NRS
11 645.841 et seq.

12 **THE COURT FINDS** NRS 645.844 (4)(a) applies.

13 **THE COURT FINDS** the "spouse exception" does not apply in this case
14 because Plaintiff is a former spouse. At the time Plaintiff filed her action for
15 recovery from the ERF, Plaintiff was a former spouse not a current spouse and
16 she is not married to the Defendant, therefore, the exception does not apply.

17 Further, the Court looked at the public policy pertaining to the word
18 "spouse" in the NRS statute. The statute is designed to prevent married couples
19 acting in concert to defraud other parties.

20 **THE COURT FINDS** that the Plaintiff has never been found to have
21 committed any type of business fraud concerning the former community property
22 assets she was awarded in the divorce.

23 **THE COURT FINDS** public policy also warrants that persons such as
24 Plaintiff should be encouraged to keep businesses viable in Nevada. Otherwise,
25 there would be less business conducted in Nevada. Here, Plaintiff has always acted
26 in good faith concerning her duties in managing the former community property
27 assets and ensuring no further harm to the tenants, paying restitution, and getting
28

1341 MINUET, LLC

1 the businesses up to par.

2 **THE COURT FINDS** that the fund is limited to \$100,000 per licensee and
3 that \$7,080.41 has already been paid from the ERRF fund on the license of William
4 R. Schulte.

5 **THE COURT FINDS** that the fund is limited to \$25,000 per judgment.

6 **THE COURT FINDS** that the nine verified petitions have separate
7 judgments.

8 **THE COURT FINDS** that this judgment is for \$12,402.71, which is less
9 than the \$25,000 per judgment limit.

10 **THE COURT FINDS** that because of the fund limits, that the total of these
11 nine judgments may not exceed \$92,919.59.

12 If any conclusions of law are properly findings of fact, they shall be treated
13 as if appropriately identified and designated.

14
15 **ORDER**

16
17 **THE COURT ORDERS** that Plaintiffs motion is granted.

18 **THE COURT ORDERS** and directs the Administrator of the Real Estate
19 Research and Recovery Fund (EERF) to pay Melani Schulte the successor in
20 interest to 1341 MINUET, LLC the amount of \$12,402.71.

21 **THE COURT ORDERS** and directs the Administrator of the Real Estate
22 Research and Recovery Fund (EERF) may prorate or offset the payment so that the
23 nine individual judgments do not collectively total more than \$92,919.59.

24 **THE COURT ORDERS** that Plaintiff's prior accounting (for paid security
25 deposits and collected rent) from the nine (9) Judgements that apply, which were
26 filed on or about 5/18/17, 5/23/17, 5/24/17, and 5/25/17 shall be attached as
27 exhibits to the Order from today's hearing.

28
1341 MINUET, LLC

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Las Vegas, Nevada 89101
Telephone: 702-518-4377

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2 may be e-mailed to Attorney Kizer by the Judicial Executive Assistant (JEA) for
3 Department I as he does not have access in this sealed case.

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5 them to both Counsel IN OPEN COURT.

6 **THE COURT ORDERS** that this is a final order.

7
8 Dated January 29, 2018.

9
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11 
12 DISTRICT COURT JUDGE

13
14 Respectfully Submitted:
15 /s/ Amberlea Davis

16 **Law Offices of Amberlea Davis**

17 415 S. Sixth St, Ste 300

18 Las Vegas, NV 89101

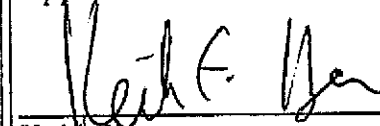
19 Phone: (702) 440-8000

20 Email: Amber@SheIsMyLawyer.com

21 Attorney for: 1341 MINUET, LLC

22 and Successor in Interest Melani Schulte

23 Approved as to Form and Content:

24 
25 Keith Kizer

26 **Senior Deputy Attorney General**

27 **State of Nevada - Office of the Attorney General**

28 555 E Washington Avenue, Ste. 3900

Las Vegas, NV 89101

1341 MINUET, LLC