# BEFORE THE REAL ESTATE COMMISSION STATE OF NEVADA

JOSEPH R. DECKER, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEVADA.

Case No. RES 14-05-81-1061

Petitioner.

VS.

DECISION

JOHN M. BROWN JR.,

Respondent.

This matter came on for hearing before the Nevada Real Estate Commission, State of Nevada ("Commission") on Tuesday, September 15, 2015, at the Grant Sawyer Building, Gaming Control Board, 555 East Washington Avenue, Room 2450, Las Vegas, Nevada. Respondent John M. Brown, Jr. ("RESPONDENT") did not appear, but was represented by his attorney, Ryan J. Works, Esq. Keith E. Kizer, Deputy Attorney General, appeared and prosecuted the Complaint on behalf of petitioner Joseph R. Decker, Administrator of the Real Estate Division, Department of Business & Industry, State of Nevada ("Division").

The matter having been submitted for decision based upon the allegations of the Complaint, the Commission now enters its Findings of Fact and Conclusions of Law as follows:

#### FINDINGS OF FACT

The Commission, based upon the evidence presented during the hearing, finds that there is substantial evidence in the record to establish each of the following Findings of Fact:

- 1. RESPONDENT has been licensed by the Division as a Broker, license number B.0044011.LLC since January 31, 2002, as a Business Broker, license number BUSB.0000404.BKR since November 6, 2007, and as a Property Manager, license number PM.0163002.BKR since February 17, 2006, and is in active status.
- RESPONDENT is subject to the jurisdiction of the Division and the Commission,
   and the provisions of NRS chapter 645 and NAC chapter 645.

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- 3. At all times relevant to the Complaint, RESPONDENT was the broker for Ameri-Dream Realty LLC.
- 4. Elsie P. Brown ("Elsie Brown") was licensed as a Salesperson, license number S.0069366, since January 23, 2006, and was associated with RESPONDENT and Ameri-Dream Realty LLC at the relevant times mentioned in this Complaint.
- 5. Ameri-Dream Realty LLC had a General Account, XXXXXX787, at JPMorgan Chase Bank.
- 6. RESPONDENT listed himself and Elsie Brown as signers on that General Account.
- 7. Ameri-Dream Realty LLC had a Security Deposit Account, XXXXXX795, at JPMorgan Chase Bank.
- 8. RESPONDENT listed himself and Elsie Brown as signers on the Security Deposit Account.
- 9. RESPONDENT failed to designate that Security Deposit Account as a trust account.
- 10. Ameri-Dream Realty LLC had a Property Management Account, XXXXXX9331, at JPMorgan Chase Bank.
- RESPONDENT failed to designate that Property Management Account as a 11. trust account.
- 12. On or about February 27, 2013, Elsie Brown transferred \$25,000 from the General Account to Unibank Inc. Metro Philippines.
- 13. On or about March 14, 2013, Elsie Brown transferred \$50,000 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 14. On or about April 10, 2013, Elsie Brown transferred \$49,263 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 15. On or about April 17, 2013, Elsie Brown transferred \$24,600 from the Security Deposit Account to Unibank Inc. Metro Philippines.

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- 16. On or about May 17, 2013, Elsie Brown transferred \$97,930 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 17. On or about May 24, 2013, Elsie Brown transferred \$49,000 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 18. On or about June 25, 2013, Elsie Brown transferred \$71,500 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- On or about July 18, 2013, Elsie Brown transferred \$35,000 from the Security
   Deposit Account to Unibank Inc. Metro Philippines.
- 20. On or about September 10, 2013, Elsie Brown transferred \$7,670 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 21. On or about September 23, 2013, Elsie Brown transferred \$18,700 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 22. On or about September 27, 2013, Elsie Brown transferred \$23,255 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 23. On or about October 9, 2013, Elsie Brown transferred \$10,020 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 24. On or about October 22, 2013, Elsie Brown transferred \$13,960 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 25. On or about October 24, 2013, Elsie Brown transferred \$11,700 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 26. On or about December 20, 2013, Elsie Brown transferred \$8,000 from the Security Deposit Account to Unibank Inc. Metro Philippines.
- 27. On or about May 16, 2014, RESPONDENT filed a Statement of Fact with the Division, complaining about Elsie Brown's conduct.
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## Attorney General's Office 555 E. Washington, Suite 1900 Las Vegas, NV 89101

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### CONCLUSIONS OF LAW

The Commission, based upon the preponderance of the evidence, makes the following legal conclusions:

- RESPONDENT received proper notice of the hearing pursuant to NRS Chapters
   and 233B and NAC Chapter 645.
- 2. Pursuant to NAC 645.860, the Commission finds that the following charges specified in the Complaint are true and supported by substantial evidence.
- RESPONDENT violated NRS 645.310(4) by depositing money belonging to others in a checking account, Property Management Account XXXXXX9331, that was not designated as a trust account.
- RESPONDENT violated NRS 645.310(4) by depositing money belonging to others in a checking account, Security Deposit Account XXXXXX795, that was not designated as a trust account.
- RESPONDENT violated NAC 645.600(1) by failing to maintain adequate supervision of Elsie Brown.
- 6. RESPONDENT violated NRS 645.633(1)(h), pursuant to NAC 645.605(1), by failing to do his utmost to protect the public against fraud, misrepresentation or unethical practices related to real estate.

### **ORDER**

IT IS HEREBY ORDERED that RESPONDENT shall pay to the Division \$493.50 for hearing and investigative costs. RESPONDENT shall pay that amount to the Division within ninety (90) days of the effective date of this Order. The Division may institute debt collection proceedings for failure to timely pay the total amount.

IT IS FURTHER ORDERED that RESPONDENT's real estate licenses are hereby REVOKED.

IT IS FURTHER ORDERED that RESPONDENT may not apply for a license from the Division for a period of ten (10) years.

IT IS FURTHER ORDERED that RESPONDENT must appear before the Commission if

he applies for a real estate license in the future.

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

This Order shall become effective on the 5th day of November, 2015.

DATED this 5 day of october, 2015.

REAL ESTATE DIVISION STATE OF NEVADA

BY: RICHARD K JOHNSON, COMMISSION