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BEFORE THE REAL ESTATE COMMISSION
STATE OF NEVADA

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

Petitioner,

vs.

JEAN MARIE MCGANNON,

Respondent.

Case No. 2019-878

FILED

MAR 31 2020

REAL ESTATE COMMISSION

BY Evelyn Pattee

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

This matter came on for hearing before the Real Estate Commission, Department of Business and Industry, State of Nevada (the "Commission"), during a regular agenda on March 10, 2020, at the Grant Sawyer Building, 555 East Washington Avenue, Room 4401, Las Vegas, Nevada 89101 (the "Hearing"). RESPONDENT JEAN MARIE MCGANNON (hereinafter, "RESPONDENT" or "MCGANNON") did not appear. Karissa D. Neff, Esq., Deputy Attorney General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division").

Ms. Neff advised the Commission that RESPONDENT had not filed an answer or otherwise appeared and had not been in contact with her prior to the Hearing.

Evelyn Pattee testified regarding notice sent to the RESPONDENT. The Commission found appropriate service of the notice of the Hearing was made.

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

FINDINGS OF FACT

The Commission, by unanimous vote, based upon evidence presented during the Hearing, enters a finding of the following facts by default:

1. RESPONDENT is licensed by the Division as a broker under license B.1001656.INDV, which license is currently active and holds an active property management permit.

1 from RESPONDENT and the complete broker's transaction file for each of the three properties managed
2 by RESPONDENT.

3 15. RESPONDENT failed to respond to the Division and failed to provide the Division
4 requested documents.

5 **NARANJO**

6 16. On August 21, 2019, Marcos Naranjo ("Naranjo") filed a complaint with the Division
7 against RESPONDENT and Jackpot Realty.

8 17. Naranjo entered into a property management agreement with RESPONDENT to manage
9 his property located at 4710 Biddle Way, North Las Vegas, Nevada.

10 18. RESPONDENT failed to pay Naranjo his May 1, 2019 rental payment.

11 19. Naranjo then terminated his management agreement with RESPONDENT and directed
12 the tenant to pay Naranjo directly.

13 20. RESPONDENT acknowledged that she received notice that Naranjo was terminating her
14 services but told Naranjo that she would balance the account, would do so by July 10, 2019, and would
15 then transfer the May rental payment to him.

16 21. RESPONDENT also improperly withheld a \$300 dollar tenant cleaning deposit collected
17 in connection with leasing Naranjo's property that was due to Naranjo and/or his successor management
18 company.

19 22. To date, RESPONDENT has failed to transfer the May rental payment and the cleaning
20 deposit to Naranjo's new management company and has refused to respond to Naranjo regarding the
21 same.

22 23. On August 26, 2019, the Division properly gave notice to RESPONDENT of its
23 investigation regarding Naranjo's complaint and requested a response from RESPONDENT.

24 24. On September 12, 2019, the Division sent RESPONDENT a letter again requesting a
25 response and also requesting a complete broker's transaction file for the 4710 Biddle Way property.

26 25. RESPONDENT failed to respond or provide the requested documents to the Division.

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OMBAO

26. On September 4, 2019, Amado Ombao (“Ombao”) filed a complaint with the Division against RESPONDENT and RPM Jackpot.

27. Ombao hired RESPONDENT to manage his residential property located at 240 Moose Lane in Las Vegas, Nevada.

28. RESPONDENT failed to pay Ombao rental payments from the property from March 2019 through July 2019.

29. After hiring a new property management company, RESPONDENT failed to transfer the tenant security deposit and pet deposit to the new property management company.

30. RESPONDENT owes Ombao in excess of \$5,362.50 in past due rental payments from March 2019 through July 2019, and owes his new property management company \$1,425 dollars in pet and security deposits.

31. On September 12, 2019, the Division properly sent notice to RESPONDENT of its investigation of Ombao’s complaint and requested a response and the transaction files for Ombao’s property.

32. RESPONDENT failed to respond or provide the requested documents to the Division.

GALLEGO

33. On March 27, 2019, Rebecca Gallego (“Gallego”) filed a complaint against RESPONDENT with the Division.

34. Gallego is a Nevada licensee and is a broker/salesperson/property manager for Atlas Group LC (“Atlas”).

35. Gallego took over the management for three properties RESPONDENT had previously been managing- 5756 Ancient Angora St., 7662 Morning Lake, and 2200 S. Fort Apache #2046, located in North Las Vegas and Las Vegas, Nevada.

36. RESPONDENT informed Gallego that Gallego would receive all deposits/funds for the three properties.

37. RESPONDENT failed to transfer the deposits/funds to Gallego and/or Atlas.

1 38. On September 12, 2019, the Division properly gave RESPONDENT notice of its
2 investigation of Gallego's complaint and also requested a response and the transaction files for the three
3 properties.

4 39. RESPONDENT failed to respond to the Division and failed to provide the requested
5 documents.

6 **JENSEN**

7 40. On October 16, 2019, Ken Jensen ("Jensen") filed a complaint with the Division against
8 RESPONDENT and RPM Jackpot Realty.

9 41. Jensen hired RESPONDENT to manage his residential property located at 7648 Highland
10 Pony Street in Las Vegas, Nevada.

11 42. Jensen stated that beginning in July of 2019, Respondent failed to pay him his
12 landlord/owner's payment.

13 43. Jensen terminated RESPONDENT's services.

14 44. RESPONDENT owes Jensen in excess of \$3,600 dollars (representing three months of
15 unpaid rent) and the tenant's deposit in the amount of \$1,200 dollars.

16 45. On October 29, 2019, the Division properly gave notice to RESPONDENT that it was
17 opening an investigation regarding Jensen's complaint and requested a response from RESPONDENT
18 and the transaction files related to Jensen's property.

19 46. RESPONDENT failed to respond to the Division and failed to provide the requested
20 Documents to the Division.

21 **ANDRE**

22 47. On October 25, 2019, Keven Lawrence Andre ("Andre") filed a complaint with the
23 Division against RESPONDENT and Real Property Management Jackpot Realty claiming that
24 RESPONDENT had failed to pay him his rental payments.

25 48. Andre hired RESPONDENT to manage his residential property located at 9133 Spoonbill
26 Ridge Pl in Las Vegas, Nevada.

1 49. During RESPONDENT's management of his property, Andre also became aware that
2 RESPONDENT had failed to pay Republic Silver State invoice for waste disposal in the amount of
3 \$125.77.

4 50. Andre paid the bill from Republic Silver State in full to prevent his property from being
5 liened.

6 51. RESPONDENT owes Andre in excess of \$5,180 dollars, which represents four months of
7 rental payments (payments for July, August, September, and October of 2019).

8 52. On October 29, 2019, the Division properly notified RESPONDENT that it had opened
9 an investigation regarding Andre's complaint and requested that RESPONDENT provide a response to
10 the Division and transaction files related to Andre's property.

11 53. RESPONDENT failed to provide a response or the requested documents to the Division.

12 **PARSONS**

13 54. On October 30, 2019, William Parsons ("Parsons") filed a complaint against
14 RESPONDENT and RPM Jackpot Realty with the Division.

15 55. RESPONDENT entered into a property management agreement with RESPONDENT on
16 August 31, 2011 to manage a residential property located at 1709 King James St. Unit 201 in Las Vegas,
17 NV.

18 56. Parsons notified RESPONDENT that he was terminating the property management
19 agreement effective August 31, 2019 so that he could sell the property.

20 57. RESPONDENT informed Parsons on September 3, 2019 that he would receive the final
21 disbursement of funds within 30 days.

22 58. Parsons went to RESPONDENT's office and picked up the remote gate openers and the
23 keys to the unit, but the gym key was missing.

24 59. RESPONDENT requested payment for the gym key, the final month's rental payment,
25 and the cleaning deposit, but RESPONDENT failed to respond to him.

26 60. RESPONDENT owes Parsons in excess of \$797.50.

27 61. On November 14, 2019, the Division properly notified RESPONDENT of its investigation
28 and requested a response and transaction files for the 1709 King James St. Unit 201 property.

1 62. RESPONDENT failed to provide the requested documents or respond to the Division.

2 **HORNING**

3 63. On November 14, 2019, Timothy Horning as Trustee of the Reno Avenue Trust
4 (“Horning”), filed a complaint with the Division against RESPONDENT and Jackpot Realty stating that
5 the trust entered into a property management agreement with RESPONDENT to manage its property
6 located at 1751 East Reno Avenue #201 in Las Vegas, Nevada.

7 64. RESPONDENT failed to provide Horning with a copy of the property management
8 agreement for the property.

9 65. In June of 2017, RESPONDENT failed to make rental payments to Horning.

10 66. On or around July 12, 2019, Horning made a formal demand for an accounting of the
11 property and also requested information regarding whether the property was occupied and by who.

12 67. RESPONDENT failed to respond to Horning other than one email dated July 24, 2019,
13 where she promised a reconciliation and information regarding the status of the property.

14 68. RESPONDENT failed to provide the requested information to Horning.

15 69. Thereafter, Horning retained an attorney who requested the same information from
16 RESPONDENT.

17 70. RESPONDENT failed to respond to the attorney’s request, failed to provide an
18 accounting, and failed to tender any rent proceeds from the property.

19 71. RESPONDENT failed to pay rental payments to Horning from December 2017 through
20 September 2019, for a total of 21 months, with approximately \$775 dollars due per month to Horning,
21 totaling in excess of \$16,275 dollars.

22 72. When Horning terminated his property management agreement with RESPONDENT,
23 RESPONDENT failed to assist in the property’s file’s transfer to the new property manager and failed to
24 transfer any security deposits or funds.

25 73. Despite RESPONDENT’s property management agreement being terminated,
26 RESPONDENT continued to send automated requests for rent to the tenant through October 2019.

27 74. During RESPONDENT’s management of the property, RESPONDENT also had the hot
28 water heater replaced but failed to pay for the repair.

1 75. Horning was notified by the hot water heater repair company that RESPONDENT failed
2 to pay for the repair.

3 76. On December 10, 2019, the Division properly notified RESPONDENT of its investigation
4 of Horning's complaint and requested a response and the transaction files related to the property located
5 at 1751 East Reno Avenue #201,

6 77. RESPONDENT failed to respond to the Division or provide the requested documents.

7 **JOHNSON**

8 78. On November 29, 2019, Vanessa Johnson ("Johnson") filed a complaint with the Division
9 against RESPONDENT and Jackpot Realty.

10 79. Johnson stated that she entered into a lease agreement to rent property located at 1709
11 King James Street #201 in Las Vegas, Nevada in March of 2013 that RESPONDENT managed.

12 80. Johnson stated that she gave notice to vacate the property on June 17, 2019 and informed
13 RESPONDENT that her move out date was August 29, 2019.

14 81. Despite giving RESPONDENT the keys, cleaning the unit, and completing necessary
15 repairs, and contacting RESPONDENT several times to receive her security deposit, RESPONDENT
16 failed to respond to her.

17 82. Johnson is owed in excess of \$775 dollars- the amount of her security deposit.

18 83. On November 14, 2019, the Division properly notified RESPONDENT that it was
19 opening up an investigation based on Johnson's complaint and requested a response and the transaction
20 files for the property.

21 84. RESPONDENT failed to respond and/or provide the documents to the Division.

22 **CONCLUSIONS OF LAW**

23 Based on the foregoing findings of facts by default, the Commission concludes by unanimous
24 vote that RESPONDENT has committed the following violations of law by default:

25 85. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
26 account for, or to remit, any money which came into her possession and belonged to others by failing to
27 pay Bates the funds owed.

28 86. RESPONDENT violated NRS 645.633(1)(h) pursuant to NRS 645.6056 by failing to obtain

1 a new management agreement with Bates after taking over the management of Bates' properties from
2 another broker.

3 87. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
4 account for, or to remit, any money which came her possession and which belonged to others by failing
5 to pay Naranjo the rental money and security deposit funds owed.

6 88. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
7 account for, or to remit, any money which came into her possession and which belonged to others by
8 failing to pay Ombao the rental money and tenant security deposits owed.

9 89. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
10 account for, or to remit, any money which came into her possession and which belonged to others by
11 failing to pay Gallego and/or Atlas the funds due.

12 90. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
13 account for, or to remit, any money in her possession and which belonged to others by failing to pay
14 Jensen the funds due.

15 91. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
16 account for, or to remit, any money in her possession and which belonged to others by failing to pay
17 Andre the funds due.

18 92. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
19 account for, or to remit, any money in her possession and which belonged to others by failing to pay
20 Parsons the funds due.

21 93. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
22 account for, or to remit, any money in her possession and which belonged to others by failing to pay
23 Johnson the funds due.

24 94. RESPONDENT violated NRS 645.633(1)(h) by failing to comply with her duties set forth in
25 NRS 118A.242 by failing to return Johnson's security deposit within 30 days and/or by failing to
26 appropriately respond.

27 95. RESPONDENT violated NRS 645.630(1)(f) by failing within a reasonable amount of time, to
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1 account for, or to remit, any money which came into her possession and which belonged to others by
2 failing to pay Horning the funds due.

3 96. RESPONDENT violated NRS645.633 through NAC 645.605(11)(a) by failing to comply with
4 the Division's request to provide documents by failing to provide transaction files for the properties
5 referenced herein on nine occasions.

6 97. RESPONDENT violated NRS645.633 through NAC 645.605(11)(b) by failing to provide a
7 response to the Division as requested on nine occasions.

8 98. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(6) by breaching her
9 obligation of absolute fidelity to her principal's interest on over 9 occasions by failing to pay and/or
10 timely pay rental money due and/or deposits due to her owner/landlord clients and/or their successor
11 property managers.

12 99. RESPONDENT violated NRS 645.6056 on over 9 occasions by failing to abide by the
13 terms of the fully executed property management agreements with owners/landlords.

14 **ORDER**

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

17 1. RESPONDENT shall pay an administrative fine to the Division in amount of \$450,000.00,
18 along with the Division's costs in the amount \$3,559.76, for a total amount of \$453,559.76 due to the
19 Division ("Amount Due"). The Amount Due shall be payable to the Division within 60 days of the
20 effective date of this Order.

21 2. The Division further revokes all real estate licenses and property management permits held by
22 RESPONDENT.

23 3. The Division may institute debt collection proceedings for failure to timely pay the Amount
24 Due, including action to reduce this Order to a judgment. Further, if collection goes through the State of
25 Nevada, then RESPONDENT shall also pay the costs associated with collection.

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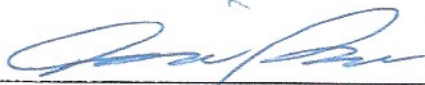
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1 3. The Commission retains jurisdiction for correcting any errors that may have occurred in the
2 drafting and issuance of this document.

3 4. This Order shall become effective on the 30th day of April 2020.

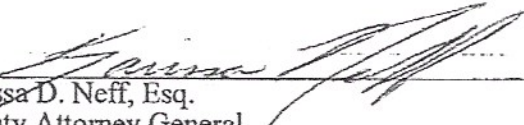
4 DATED this 31st day of March, 2020.

5 REAL ESTATE COMMISSION
6 STATE OF NEVADA

7 By: 
8 President, Nevada Real Estate Commission

9 Submitted by:

10 AARON D. FORD
11 Attorney General

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