

1 BEFORE THE REAL ESTATE COMMISSION
2 STATE OF NEVADA

3 SHARATH CHANDRA, Administrator,
4 REAL ESTATE DIVISION, DEPARTMENT
5 OF BUSINESS & INDUSTRY,
6 STATE OF NEVADA,

Case No. 2017-1299

Petitioner,

7 vs.

8 MICHAEL C. GONYEA,

9 Respondent.

10 **FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

11 This matter came on for hearing before the Nevada Real Estate Commission, State of
12 Nevada (“Commission”) on Thursday, November 7, 2019, at the Nevada State Business Center, 3300 W.
13 Sahara Avenue, Las Vegas, Nevada 89102. The Respondent, MICHAEL C. GONYEA
14 (“RESPONDENT”) appeared on his own behalf. Karissa D. Neff, Esq., Deputy Attorney
15 General with the Nevada Attorney General’s Office, appeared on behalf of the Real Estate
16 Division of the Department of Business and Industry, State of Nevada (the “Division”).

17 This matter having been submitted for decision based upon the allegations of the Complaint
18 and evidence received, the Commission now enters its Findings of Fact and Conclusions of Law as
19 follows:

20 **FINDINGS OF FACT**

21 1. At all relevant times, RESPONDENT was licensed as a Broker under license number
22 B.0026907.LLC since April 25, 2008 and said license was currently on active status.

23 2. At all relevant times, RESPONDENT was a broker for Andrew Garcia Property Management,
24 LLC, a Nevada limited liability company, doing business as Real Property Management Exclusive (the
25 “Company”).¹

26 3. Andrew Garcia was a managing member of the Company and is a licensed salesperson under
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28 ¹ RESPONDENT has since closed the Real Property Management Exclusive brokerage as of September 16, 2019, and is now the broker of Renew Property Management, effective September 16, 2019.

1 license number S.0068150.LLC, said license being currently active.

2 4. In January of 2019, the Company's former bookkeeper, Mary Rosalyn Stehli ("Stehli"), pled
3 guilty to embezzling over \$300,000 dollars from the Company's client trust accounts for the time period
4 from approximately May 11, 2014 through July 31, 2016.

5 5. Stehli appeared to have embezzled the money by moving money from the Client Trust Security
6 Deposit Account to the Client Trust Rental Account by entering journal entry corrections.

7 6. RESPONDENT was responsible for the supervision and maintenance of the Company's trust
8 accounts, including the accounts from which Stehli embezzled funds.

9 7. RESPONDENT's Client Trust Account Reconciliations were due to the Division on or before
10 April 30, 2017.

11 8. On May 4, 2017, the Division opened case number 2017-1040 against RESPONDENT when
12 RESPONDENT failed to timely submit the Client Trust Account Reconciliations.

13 9. Not until after the Division opened case number 2017-1040 against RESPONDENT did
14 RESPONDENT notify the Division regarding Stehli's embezzlement.

15 10. Thereafter, the Division made several requests to RESPONDENT to obtain further
16 documents, information, and the Client Trust Account Reconciliations.

17 11. Each time, RESPONDENT failed to respond to the Division leading to subsequent cases
18 being brought against him.

19 12. Although RESPONDENT did not respond to the Division's requests to obtain documents
20 or regarding the Division's subsequent actions, the owner of the Company, Garcia, did respond and/or
21 paid any fine the Division imposed against RESPONDENT.

22 13. RESPONDENT also failed to notify the DIVISION of Garcia's journal entries made to
23 the Company's client trust to replace the money embezzled by Stehli, totaling \$142,885.84 ("Deposited
24 Money").

25 14. Only following the Division's inquiry regarding the Deposited Money journal entries, did
26 Garcia (not RESPONDENT) inform the Division.

27 15. RESPONDENT has been listed as the broker of the Company from May 9, 2011 to May
28 1, 2011 and from May 18, 2011 to September 16, 2019.

1 16. RESPONDENT only became listed on the Client Trust Bank accounts on December 11,
2 2018 as a signatory after being notified by the DIVISION that he was in violation of Nevada law.

3 17. RESPONDENT permitted Company employee Brenda Leong to be an authorized signor
4 on the Company’s bank account even though she was not a licensee.

5 18. RESPONDENT permitted Company employee Yvonne Cubas to be an authorized signor
6 on the Company’s bank account even though she was not a licensee.

7 19. RESPONDENT permitted Garcia to sign Company checks on 17 occasions without
8 RESPONDENT’s signature.

9 20. RESPONDENT failed to designate bank accounts as trust accounts.

10 21. RESPONDENT failed to properly supervise Stehli when she embezzled funds from the
11 Company.

12 22. Even following Stehli’s embezzlement, RESPONDENT failed to maintain an accurate
13 accounting of the client rental trust accounts.

14 23. RESPONDENT provided a faulty Trust Account Reconciliation to the Division showing
15 a balance when there was not.

16 24. On April 16, 2019 the Division properly notified RESPONDENT by certified mail of its
17 intent to bring a complaint against RESPONDENT.

18 **CONCLUSIONS OF LAW**

19 RESPONDENT has committed the following violations of law:

20 25. RESPONDENT violated NAC 645.600(1) by failing to supervise the Company’s
21 employees, including, Stehli, and her handling of the Company’s money.

22 26. RESPONDENT violated NAC 645.655(5) by failing to maintain a custodial or trust
23 account to which he was a signatory until December of 2018.

24 27. RESPONDENT violated NAC 645.655(6) by permitting Brenda Leong (a non-licensee)
25 to be a signatory on the Company’s bank accounts.

26 28. RESPONDENT violated NAC 645.655(6) by permitting Yvonne Cubas (a non-licensee)
27 to be a signatory on the Company’s bank accounts.

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

3 This Order shall become effective on the 31st day of December, 2019.

4 DATED this 21st day of November, 2019.

6 REAL ESTATE COMMISSION
7 STATE OF NEVADA

8 By: 
9 President, Nevada Real Estate Commission