

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

**FILED**

JUL 17 2020

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

Petitioner,

vs.

DEREK W. MARKOVIC,

Respondent.

Case No. 2019-190

and

Case No. 2019-553

REAL ESTATE COMMISSION

BY *Evelyn Patten*

**DECISION**

This matter came on for hearing before the Nevada Real Estate Commission, State of Nevada (“Commission”) on Wednesday, June 17, 2020, on-line via Webex platform, with telephonic access. Respondent Derek W. Markovic (“RESPONDENT”) failed to call in to the meeting. Dennis L. Belcourt, Deputy Attorney General, appeared and prosecuted the Complaint on behalf of Petitioner Sharath Chandra, Administrator of the Real Estate Division, Department of Business & Industry, State of Nevada (“Division”).

The Commission having heard testimony that RESPONDENT was given due notice, and the RESPONDENT having failed to appear, the Commission now enters its Findings of Fact and Conclusions of Law as follows:

**FINDINGS OF FACT**

RESPONDENT at all relevant times mentioned in this Complaint was licensed as a real estate broker and permitted as a property manager by the Division. He is therefore subject to the jurisdiction of the Division and the Commission and the provisions of NRS chapter 645 and NAC chapter 645.

1. RESPONDENT has been and as of the date of this complaint is currently licensed by the Division as a real estate broker, B.0065540.INDV. His broker license was initially issued June 21, 2016.

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1           2.     RESPONDENT also holds a property management permit, permit number  
2 PM.0165924.BKR, said permit being issued on October 10, 2013.

3           3.     On or about February 25, 2019, the Division received a complaint about  
4 RESPONDENT's management of units at the Manzanita condominium complex, 4730 E. Craig Road,  
5 Las Vegas, Nevada.

6           4.     On February 26, 2019, the Division sent RESPONDENT a letter enclosing the  
7 complaint and directing RESPONDENT to submit a response, setting a deadline of March 12 for the  
8 response.

9           5.     On May 8, 2019, not having received a response to the February 26, 2019 letter, the  
10 Division sent RESPONDENT a letter by certified mail, return-receipt requested, referencing that the  
11 Division had not received the transaction files for the condos he managed in the Manzanita complex  
12 and setting a response deadline of May 23, 2019.

13          6.     On or around May 8, 2019, the Division sent RESPONDENT a letter requesting a  
14 response regarding whether RESPONDENT currently, or in the past year, has held any funds belonging  
15 to others (including the collection handling or access to owner rents, tenant security deposits or any  
16 other funds) under his Nevada brokerage.

17          7.     RESPONDENT failed to respond to the Division's May 8, 2019 letter regarding whether  
18 he has held any funds belonging to others.

19          8.     On or around May 28, 2019, the Division sent RESPONDENT a letter notifying  
20 RESPONDENT that he had failed to submit his trust account reconciliations to the Division as required  
21 under Nevada law and that it was issuing an administrative fine to RESPONDENT in the amount of  
22 \$1,000.00 (the "Fine").

23          9.     Received by the Division on or around May 29, 2019, RESPONDENT provided an  
24 Affidavit in Lieu of Form 546 dated May 25, 2019 to the Division stating that he was not required to  
25 file a Form 546 Trust Account Reconciliation with the Division because he had not received monies  
26 belonging to others as set forth in NRS 645.310(4).

27          10.    On May 30, 2019, the Division issued a Notice of Violation with Imposition of  
28 Administrative Fine, finding violations of NRS 645.633(1)(h), pursuant to NAC 645.605(11)(a) or

1 (b)(impeding or attempting to impede investigation of the Division by failing to comply with a  
2 request to provide documents or supplying a written response, including supporting documentation),  
3 and fining RESPONDENT in the amount of \$500.

4 11. RESPONDENT paid the fine on or around June 25, 2019 but failed to submit his Trust  
5 Account Reconciliation reports to the Division.

6 12. On or about June 23, 2019, RESPONDENT filed a response to the February 25, 2019  
7 complaint, denying allegations thereof but paying the \$500 fine, "to put this to rest."

8 13. With his June 23, 2019 response, RESPONDENT failed to include any of the  
9 transaction files for the Manzanita complex.

10 14. On June 26, 2019, the Department sent RESPONDENT a further letter by certified mail,  
11 return-receipt requested, referencing that the Division had not received the transaction files for the  
12 condos he managed in the Manzanita complex and setting a response deadline of July 10, 2019.

13 15. On July 31, 2019, not having received the transaction files for the condos he managed in  
14 the Manzanita Complex, the Department sent RESPONDENT yet a further letter by certified mail,  
15 return-receipt requested, referencing that the Division had not received the transaction files for the  
16 condos he managed in the Manzanita complex and setting a response deadline of August 14, 2019.

17 16. The July 31, 2019 letter listed over thirty (30) condominium units for which the Division  
18 required RESPONDENT to provide the complete transaction files.

19 17. On August 8, 2019, RESPONDENT called the Division on the telephone and asked if he  
20 could submit less than the entire set of documents demanded of him; but the Division advised him to  
21 submit all the requested documents.

22 18. On December 3, 2019, the RESPONDENT provided a response to the July 31, 2019  
23 demand by providing lease agreements on only 12 of the over thirty properties, all of which were  
24 owned by third parties.

25 19. In the lease agreements provided to the Division, RESPONDENT agreed to or did  
26 collect rents on one or more of the properties.

27 20. The December 3, 2019 response did not include the following for any of the properties  
28 for which transaction files were demanded:

- a. Management agreements
- b. Duties owed forms
- c. Accounts for the rents paid

**CONCLUSIONS OF LAW**

RESPONDENT has committed the following violations of law:

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21. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(11)(a) and (e), impeding or attempting to impede an investigation of the Division by failing to comply or delaying his or her compliance with a Division request to provide transaction files.

22. RESPONDENT violated NRS 645.633(1)(h) pursuant to NAC 645.605(11)(c) and (d), two (2) times, impeding or attempting to impede the Division's investigation by supplying false information on two Affidavits in Lieu of Form 546.

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23. RESPONDENT violated NRS 645.310(5) by failing to provide his trust account reconciliations to the Division.

**ORDER**

IT IS HEREBY ORDERED that all RESPONDENT's licenses and permits issued by the Division are revoked and that that RESPONDENT shall pay to the Division fines, investigative costs and attorneys' fees as follows:

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\$30,000 in fines and \$787.93 in investigative costs and attorneys' fees;

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\$10,000 in fines and \$817.93 in investigative costs and attorneys' fees;

Payment of which shall be due 90 days from the effective date of this Order. If the payment is not actually received by the Division on or before its due date, it shall be construed as an event of default by Respondent. The State of Nevada may institute debt collection proceedings for failure to timely pay fines, fees or costs, and may reduce the amount owed to judgment. RESPONDENT may be liable for collection fees and costs.

