

FILED

SEP 21 2021

REAL ESTATE COMMISSION

BY *Evelyn Patten*

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Case No. 2019-1065

Petitioner,

vs.

SHERRYL L. BACA,

Respondent.

STIPULATION FOR SETTLEMENT OF DISCIPLINARY ACTION

This Stipulation for Settlement of Disciplinary Action (“Stipulation”) is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division (“Division”), through its Administrator Sharath Chandra (“Petitioner”), by and through their attorney of record, Deputy Attorney General Matthew Feeley and Sherryl L. Baca (“RESPONDENT”).

JURISDICTION

RESPONDENT at all relevant times mentioned in this Complaint was licensed by the Division as a broker and held a property management permit. She is therefore subject to the jurisdiction of the Division and the Commission and the provisions of NRS chapter 645 and NAC chapter 645.

FACTUAL ALLEGATIONS

1. RESPONDENT is licensed with the Division as a broker under license B.0024143.CORP, said license being issued in January of 2001, and is currently in “active” status. RESPONDENT’s property management permit, permit PM.0163323.BKR, is no longer active.

2. On September 19, 2019, Ms. Liliane Pelzman (“Complainant”) submitted a complaint to the Division regarding the return of security deposits related to two of her properties.

3. Complainant’s complaint involved two rental properties; located at 3425 E. Russell Rd., Las Vegas, NV, 89120, Units #211 and #144.

1 4. Complainant stated that Kathy Marlow, an agent for RESPONDENT, the owner/broker at
2 COMMUNITY MANAGEMENT & SALES, had managed units #211 and #144. The security deposits
3 for these properties were \$900 each.

4 5. Complainant stated that in August of 2019, she received a letter dated August 5, 2019,
5 from RESPONDENT which stated that RESPONDENT will be closing her business and will be unable
6 to manage the properties.

7 6. Within the letter discussed in #5 above, RESPONDENT recommended that Complainant
8 transfer management duties to the company of a friend of RESPONDENT.

9 7. Complainant declined that recommendation and requested RESPONDENT credit the
10 security deposits to Complainant's account.

11 8. Complainant attempted to call and email RESPONDENT but at the time of the filing of
12 her Complaint had not received a response.

13 9. Complainant alleged that RESPONDENT owed her \$1800, that being \$900 for the
14 security deposit for each rental property.

15 10. The Division commenced an investigation into RESPONDENT's activities in response to
16 Complainant's complaint.

17 11. On October 3, 2019 the Division sent RESPONDENT a letter advising her that a
18 complaint had been filed against her and that as such, the Division has opened a case for investigation.
19 The Division instructed RESPONDENT to provide a response to the Division by October 17, 2019.

20 12. On November 13, 2019, RESPONDENT provided a signed and notarized affidavit with
21 the response to the complaint. RESPONDENT stated that her former property manager, Kathy Marlow,
22 quit without notice and that "letters were mailed to all clients by RPMG who took most of the accounts
23 when I closed that part of my business."

24 13. RESPONDENT further explained "there were some issues with deposits because some
25 owners had them, once the audit was complete, checks were sent to owners." RESPONDENT explained
26 that she "had quite a bit of trouble getting into the software to see who had what on record."

27 14. RESPONDENT puts forth that by the time of the writing of her response, she had mailed
28 Complainant a check for the security deposits at issue.

1 15. On September 9, 2020, the Division issued RESPONDENT a Notice of Violation for a
2 violation of the Nevada Revised Statutes, specifically NRS 645.630(1)(f).

3 16. The Notice of Violation issued a \$500 fine and provided notice that RESPONDENT could
4 appeal the decision within 30 days.

5 17. THE RESPONDENT has not paid the fine nor did she filed an appeal. The Division has
6 did not receive any contact with RESPONDENT concerning the September 9, 2020 Notice of Violation
7 within that 30 days.

8 18. On December 2, 2020 the Division properly notified RESPONDENT it was commencing a
9 disciplinary action against her before the Nevada Real Estate Commission.

10 VIOLATIONS

11 It is alleged that RESPONDENT has committed the following violations of law:

12 19. RESPONDENT violated NRS 645.630(1)(f) by failing, within a reasonable time, to
13 account for or to remit any money which comes into her possession and which belongs to others,
14 specifically by not returning the security deposits held by her to the property owner Complainant upon
15 request to do so.

16 PROPOSED STIPULATION AGREEMENT

17 20. In an effort to avoid the time and expense of litigating these issues before the
18 Commission, the parties desire to compromise and settle the instant controversy upon the following terms
19 and conditions:

20 a. RESPONDENT agrees to pay \$3,942.20 to the Division within four (4) months of
21 the date of the Commission's order approving this stipulation. The amount
22 includes a \$500 fine and \$3,442.20 to cover the Division's investigatory costs and
23 fees.

24 b. RESPONDENT's full amount will be paid in equal monthly installments of
25 \$985.55 per month to the Division for four (4) months beginning on October 1,
26 2021. RESPONDENT may choose to pay the full amount sooner than four months.

27 21. RESPONDENT and the Division agree that by entering into this Stipulation, the Division
28 does not concede any defense or mitigation RESPONDENT may assert and that once this Stipulation is

1 approved and fully performed, the Division will close its file in this matter. Nothing herein prevents proof
2 and giving consideration to acts complained of in this matter in determining or penalizing a future
3 violation by RESPONDENT of any provision of NRS Chapter 645 or NAC Chapter 645.

4 22. RESPONDENT agrees and understands that by entering into this Stipulation,
5 RESPONDENT is waiving her right to a hearing at which RESPONDENT may present evidence in her
6 defense, her right to a written decision on the merits of the complaint, her rights to reconsideration and/or
7 rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada
8 Administrative Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and
9 accompanying regulations, and the federal and state Constitutions. RESPONDENT understands that this
10 Agreement and other documentation may be subject to public records laws. The Commission members
11 who review this matter for approval of this Stipulation may be the same members who ultimately hear,
12 consider, and decide the Complaint if this Stipulation is either not approved by the Commission or is not
13 timely performed by RESPONDENT. RESPONDENT fully understands that he has the right to be
14 represented by legal counsel in this matter at her own expense.

15 23. Each party shall bear its or his own attorney's fees and costs, except as provided above.

16 24. Approval of Stipulation. Once executed, this Stipulation will be filed with the
17 Commission and will be placed on the agenda for approval at its next public meeting. The Division will
18 recommend to the Commission approval of the Stipulation. RESPONDENT agrees that the Commission
19 may approve, reject, or suggest amendments to this Stipulation that must be accepted or rejected by
20 RESPONDENT before any amendment is effective.

21 25. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests
22 amendments unacceptable to RESPONDENT, RESPONDENT may withdraw from this Stipulation, and
23 the Division may pursue its Complaint before the Commission. This Stipulation then shall become null
24 and void and unenforceable in any manner against either party.

25 26. Release. In consideration of the execution of this Stipulation, RESPONDENT for herself,
26 her heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever
27 discharges the State of Nevada, the Department of Business and Industry, and the Division, and each of
28 their respective members, agents, employees, and counsel in their individual and representative

1 capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions,
2 claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever had,
3 now has, may have, or claim to have against any or all of the persons or entities named in this section,
4 arising out of or by reason of the Division's investigation, this disciplinary action, and all other matters
5 relating thereto.

6 27. Indemnification. RESPONDENT hereby agrees to indemnify and hold harmless the State
7 of Nevada, the Department of Business and Industry, Petitioner, the Division, and each of their respective
8 members, agents, employees, and counsel, in their individual and representative capacities, against any
9 and all claims, suits, and actions brought against said persons and/or entities by reason of the Division's
10 investigation, this disciplinary action, and all other matters relating thereto, and against any and all
11 expenses, damages, and costs, including court costs and attorney fees, which may be sustained by the
12 persons and/or entities named in this section as a result of said claims, suits, and actions.

13 28. Default. In the event of default, RESPONDENT agrees that her license shall be
14 immediately suspended, and the unpaid balance of the administrative fine and costs, together with any
15 attorney's fees and costs that may have been assessed, shall be due in full to the Division within ten
16 calendar days of the date of default. Debt collection actions for unpaid monetary assessments in this case
17 may be instituted by the Division or its assignee.

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1 29. RESPONDENT has signed and dated this Stipulation only after reading and
2 understanding all terms herein.

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4 DATED this 31 day of August, 2021


DATED this 2 day of ^{September} ~~August~~, 2021.

5
6
7 By: 
8 SHERRYL L. BACA

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

9
10 Approved as to form:

11 AARON D. FORD
12 Attorney General

13 By: 
14 MATTHEW FEELEY (Bar #13336)
15 Deputy Attorney General
16 555 E. Washington Avenue, Suite 3900
17 Las Vegas, NV 89101

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2 STATE OF NEVADA

3 SHARATH CHANDRA, Administrator,
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10 Respondent.

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11 **ORDER APPROVING STIPULATION**

12 The Stipulation for Settlement of Disciplinary Action having come before the Real Estate
13 Commission, Department of Business and Industry, State of Nevada, during its regular agenda on
14 SEPTEMBER 14, 2021, and the Commission being fully apprised of the terms and good cause
15 appearing,

16 IT IS ORDERED that the Stipulation for Settlement of Disciplinary Action in this matter is
17 approved in full.

18 This Order shall become effective on the 14th day of September, 2021.

19 Dated this 15th day of September, 2021.

20 NEVADA REAL ESTATE COMMISSION

21 By: 

22 [Print Name] Darrek Plummer

23 Commission President