## BEFORE THE COMMISSION FOR COMMON-INTEREST 1 COMMUNITIES AND CONDOMINIUM HOTELS STATE OF NEVADA 2 3 Sharath Chandra, Administrator, Real Estate Division, Department of 4 Business & Industry, State of Nevada, 5 Case No. 2023-552 Petitioner, 6 VS. 7 Keith Dempsey, AUG 2 5 2023 8 **NEVADA COMMISSION FOR** COMMON INTEREST COMMUNITIES Respondent. 9 AND CONDOMINIUM HOTELS 10 COMPLAINT FOR DISCIPLINARY 11 ACTION AND NOTICE OF HEARING 12 The Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of 13 14 the State of Nevada, and Phil W. Su, Senior Deputy Attorney General, hereby notifies KEITH DEMPSEY ("Dempsey" and/or "RESPONDENT") of an administrative hearing 15 before the Commission for Common-Interest Communities and Condominium Hotels, 16 17 State of Nevada, which is to be held pursuant to Chapters 233B and 116 of the Nevada Revised Statutes ("NRS") and Chapter 116 of the Nevada Administrative Code ("NAC"). 18 The purpose of the hearing is to consider the allegations stated below and to determine if 19 an administrative penalty will be imposed on the RESPONDENT pursuant to the 20 provisions of NRS and NAC including, but not limited to, NRS 116.785 and NRS 116.790. 21 JURISDICTION AND NOTICE 22 1. During all relevant times mentioned in this complaint, RESPONDENT 23 Keith Dempsey served as a member and/or officer of Admiral's Point Homeowners 24 Association ("Association"), a common-interest community located in Las Vegas, Nevada. 25 2. RESPONDENT is subject to the provisions of Chapters 116 of the Nevada 26 Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter 27 collectively referred to as "NRS 116") and is subject to the jurisdiction of the Division and 28

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the Commission for Common-Interest Communities and Condominium Hotels pursuant to the provisions of NRS 116.750.

## **FACTUAL ALLEGATIONS**

- At all relevant times herein, the Association is a common-interest 3. community pursuant to NRS 116.021 located in Las Vegas, Nevada. [NRED 0001-0006]
- On or about June 16, 2023, COMPLAINANT Karen Torres (hereinafter "COMPLAINANT") filed a Form 530 Intervention Affidavit against RESPONDENT. [NRED0008-0012].
- 5. COMPLAINANT alleges, in her Intervention Affidavit, that on April 5, 2023, she, in her capacity as an administrative assistant for the Association's retained management company, attended a meeting with the Association's community manager, Debi Pike; Association Board Member and Secretary Brian Shannon; and management company employee Edwina Daley, to discuss and begin the process of conducting a recall election against RESPONDENT. [NRED0008-0012].
- During the meeting, RESPONDENT and Association homeowner Bill 6. Farnsworth entered the meeting room uninvited and interrupted the meeting. [NRED0008-0012].
- 7. Debi Pike explained that it was a closed meeting between management company staff and board members, and that Mr. Farnsworth would have to leave, although RESPONDENT could stay. [NRED0008-0012].
- 8. RESPONDENT became verbally abusive and acted in an aggressive manner towards Pike and the other management company employees. [NRED0008-0012].
- 9. When the employees attempted to leave the room, the RESPONDENT prevented COMPLAINANT from leaving, made physical contact with her, and forcibly took a box that she was holding from her. [NRED0008-0012].
- COMPLAINANT filed a police report regarding the incident. [NRED0013-10. 0019].
  - 11. COMPLAINANT subsequently filed for a temporary restraining order

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- RESPONDENT violated NRS 116.3103 pursuant to NRS 116.405(1) by acting outside of the scope of the authority granted to him in the Association's governing documents.
- 16. RESPONDENT violated NRS 116.3103 through NAC 116.405(2) by failing to act in good faith and in the honest belief that his actions are in the best interests of the Association by acting for reasons of self-interest, gain, prejudice, and/or revenge.
- RESPONDENT violated NRS 116.3103 through NAC 116.405(5)(a) by 17. failing to comply with a request by the Division to provide information or documents during its investigation.

## DISCIPLINE AUTHORIZED

Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS 116.790 the Commission has discretion to take any, or all, of the following actions:

- 1. Issue an order directing RESPONDENT to cease and desist from continuing to engage in the unlawful conduct that resulted in the violation.
- 2. Issue an order directing RESPONDENT to take affirmative action to correct any conditions resulting from the violation.

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- Impose an administrative fine of up to \$1,000 for each violation by 3. RESPONDENT.
- 4. IF RESPONDENT IS FOUND TO HAVE KNOWINGLY AND WILLFULLY COMMITTED A VIOLATION of NRS or NAC 116 AND it is in the best interest of the Association, RESPONDENT may be removed from his/her position as a director and/or officer.
  - 5. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.
- Require RESPONDENT to pay the costs of the proceedings incurred by the 6. Division, including, without limitation, the cost of the investigation and reasonable attorney's fees.
- 7. Take whatever further disciplinary action the Commission deems appropriate.

The Commission may order one or any combination of the discipline described above. If the Commission finds that the RESPONDENT knowingly and willfully violated the provisions of NRS or NAC 116, the Commission may order that RESPONDENT be personally liable for all fines and costs imposed.

## NOTICE OF HEARING

PLEASE TAKE NOTICE, that a disciplinary hearing has been set to consider the Administrative Complaint against the above-named RESPONDENT in accordance with Chapters 233B and 116 of the Nevada Revised Statutes and Chapter 116 of the Nevada Administrative Code.

THE HEARING WILL TAKE PLACE at the Commission meeting(s) scheduled for September 26-28, 2023, beginning at approximately 9:00 a.m. each day, or until such time as the Commission concludes its business. Commission meeting will be held at the Nevada State Business Center, 3300 West Sahara Avenue, 4th Floor - Nevada Room, Las Vegas, Nevada 89102, with videoconferencing to the Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

STACKED CALENDAR: Your hearing is one of several hearings scheduled at the same time as part of a regular meeting of the Commission that is expected to last from September 26, 2023, through September 28, 2023, or earlier if the business of the Commission is concluded. Thus, your hearing may be continued until later in the day or from day to day. It is your responsibility to be present when your case is called. If you are not present when your hearing is called, a default may be entered against you and the Commission may decide the case as if all allegations in the complaint were true. If you need to negotiate a more specific time for your hearing in advance because of coordination with an out of state witness or the like, please call Maria Gallo, Commission Coordinator at (702) 486-4074.

YOUR RIGHTS AT THE HEARING: except as mentioned below, the hearing is an open meeting under Nevada's open meeting law and may be attended by the public. After the evidence and arguments, the commission may conduct a closed meeting to discuss your alleged misconduct or professional competence. You are entitled to a copy of the transcript of the open and closed portions of the meeting, although you must pay for the transcription.

As the RESPONDENT, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice. At the hearing, the Division has the burden of proving the allegations in the complaint and will call witnesses and present evidence against you. You have the right to respond and to present relevant evidence and argument on all issues involved. You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant to the issues involved.

You have the right to request that the Commission issue subpoenas to compel witnesses to testify and/or evidence to be offered on your behalf. In making the request, you may be required to demonstrate the relevance of the witness' testimony and/or evidence. Other important rights you have are listed in NRS Chapter 116, NAC Chapter 116, including without limitation, NRS 116.770 through 116.780 and NAC 116.500 through

1 NAC 116.635 and NRS Chapter 233B. 2 Please note that under NAC 116.575, not less than five (5) working days prior to a 3 hearing, RESPONDENTS must provide to the Division a copy of all reasonably available 4 documents that are reasonably anticipated to be used in support of their position, and a list 5 of witnesses RESPONDENTS intend to call, including: (1) the name of the witness; (2) the 6 company for whom the witness works and the title of the witness; and (3) a brief summary 7 of the expected testimony of the witness. Failure to provide any document or witness 8 information may result in the document or witness being excluded from your defense. 9 The purpose of the hearing is to determine if the RESPONDENT has violated NRS 10 Chapter 116 and/or NAC Chapter 116 and if the allegations contained herein are 11 substantially proven by the evidence presented and to further determine what 12 administrative penalty is to be assessed against the RESPONDENT, if any. DATED this 25 day of August, 2023. 13 14 REAL ESTATE DIVISION. DEPARTMENT OF **BUSINESS &** 15 INDUSTRY, STATE OF NEVADA 16 17 By: SHARATH CHANDRA, Administrator 18 3300 W. Sahara Ave. Ste 350 19 Las Vegas, Nevada 89102 (702) 486-4033 20 AARON D. FORD 21 Attorney General 22 23 By: Is/ Phil W. Su 24 PHIL W. SU (Bar No. 10450) Senior Deputy Attorney General 25 555 E. Washington Ave. Ste 3900 Las Vegas, Nevada 89101 26 (702) 486-3420 27 Attorneys for Real Estate Division 28