

1 BEFORE THE COMMISSION FOR COMMON-INTEREST
2 COMMUNITIES AND CONDOMINIUM HOTELS
 STATE OF NEVADA

3 Sharath Chandra, Administrator,
4 Real Estate Division, Department of
5 Business & Industry, State of Nevada,

 Petitioner,

Case No. 2023-552

6 vs.

7 Keith Dempsey,

8 Respondent.
9

10 **STIPULATION AND ORDER**

11 **FOR SETTLEMENT OF DISCIPLINARY ACTION**

12 This Stipulation for Settlement of Disciplinary Action (“Stipulation”) is entered by
13 and between the Real Estate Division of the Department of Business and Industry, State
14 of Nevada (the “Division”), by and through its counsel, Aaron D. Ford, Attorney General
15 of the State of Nevada, and Phil W. Su, Senior Deputy Attorney General, and Respondent
16 Keith Dempsey (“Dempsey” and/or “RESPONDENT”), by and through his counsel, Marc
17 S. Cwik, Esq. and Vivienne Rakowsky, Esq. of Lewis Brisbois Bisgaard & Smith LLP.

18 **JURISDICTION AND NOTICE**

19 1. During all relevant times mentioned in this complaint, RESPONDENT
20 Keith Dempsey served as a member and/or officer of Admiral’s Point Homeowners
21 Association (“Association”), a common-interest community located in Las Vegas, Nevada.

22 2. RESPONDENT is subject to the provisions of Chapters 116 of the Nevada
23 Revised Statutes (“NRS”) and the Nevada Administrative Code (“NAC”) (hereinafter
24 collectively referred to as “NRS 116”) and is subject to the jurisdiction of the Division and
25 the Commission for Common-Interest Communities and Condominium Hotels pursuant
26 to the provisions of NRS 116.750.

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1 **SUMMARY OF FACTUAL ALLEGATIONS**

2 **AS ALLEGED IN THE FIRST AMENDED COMPLAINT**

3 3. At all relevant times herein, the Association is a common-interest
4 community pursuant to NRS 116.021 located in Las Vegas, Nevada. [NRED 0001]

5 4. On or about June 16, 2023, COMPLAINANT Karen Torres (hereinafter
6 “COMPLAINANT”) filed a Form 530 Intervention Affidavit against RESPONDENT.
7 [NRED0001-0012].

8 5. COMPLAINANT alleges, in her Intervention Affidavit, that on April 5,
9 2023, she, in her capacity as an administrative assistant for the Association’s retained
10 management company, attended a meeting with the Association’s community manager,
11 Debi Pike; Association Board Member and Secretary Brian Shannon; and management
12 company employee Edwina Daley. [NRED0003-0004; 0012].

13 6. During the meeting, RESPONDENT and Association homeowner Bill
14 Farnsworth entered the meeting room uninvited and interrupted the meeting.
15 [NRED0003-0004; 0012].

16 7. Debi Pike explained that it was a closed meeting between management
17 company staff and board members, and that Mr. Farnsworth would have to leave,
18 although RESPONDENT could stay. [NRED0003-0004; 0012].

19 8. RESPONDENT [allegedly] became verbally abusive and acted in an
20 aggressive manner towards Pike and the other management company employees.
21 [NRED0003-0004; 0012].

22 9. When the employees attempted to leave the room, the RESPONDENT
23 [allegedly] prevented COMPLAINANT from leaving, made physical contact with her, and
24 forcibly took a box that she was holding from her. [NRED0003-0004; 0012].

25 10. COMPLAINANT filed a police report regarding the incident. [NRED0017-
26 0018].

27 11. COMPLAINANT subsequently filed for a temporary restraining order
28 against RESPONDENT, which was granted by Las Vegas Justice Court. [NRED0005-

1 0011].

2 12. On July 13, 2023, the Division sent correspondence via certified mail
3 informing RESPONDENT that he was the subject of a Division investigation concerning
4 the allegations in the Intervention Affidavit, and requesting a written response to those
5 allegations by July 27, 2023. [NRED 0015-0016].

6 13. RESPONDENT failed to provide a response to the Division's request for
7 information letter.

8 14. On or about August 10, 2023, the Division issued an NRS 233B letter
9 notifying RESPONDENT that it intended to bring a disciplinary action against him for a
10 hearing before the Commission. [NRED 0050-0053].

11 **VIOLATIONS OF LAW AS ALLEGED IN THE FIRST AMENDED COMPLAINT**

12 15. RESPONDENT violated NRS 116.3103 pursuant to NAC 116.405(1) by
13 acting outside of the scope of the authority granted to him in the Association's governing
14 documents.

15 16. RESPONDENT violated NRS 116.3103 through NAC 116.405(2) by failing
16 to act in good faith and in the honest belief that his actions are in the best interests of the
17 Association by acting for reasons of self-interest, gain, prejudice, and/or revenge.

18 17. RESPONDENT violated NRS 116.3103 through NAC 116.405(5)(a) by
19 failing to comply with a request by the Division to provide information or documents
20 during its investigation.

21 **PROPOSED SETTLEMENT AGREEMENT**

22 By entering into this settlement agreement, the RESPONDENT does not admit the
23 factual and legal assertions as set forth in the Division's First Amended Complaint, but for
24 the sole purposes of this settlement will not contest the above violations. In an effort to
25 avoid the time and expense of litigating these issues before the Commission, the parties
26 desire to compromise and settle this Case No. 2023-552 upon the following terms and
27 conditions:

28 1. RESPONDENT shall relinquish his board member position with Admiral's

1 Point Homeowner's Association as of the effective date of this Order.

2 2. RESPONDENT shall not seek any election, or accept any appointment, to
3 become the board member of any common interest community board, as set forth in NRS
4 116, for a period of three (3) years from the effective date of this Order.

5 3. RESPONDENT shall pay to the Division a total amount of \$4,324.07. This
6 total amount reflects no administrative fine for the above-alleged violations of law, but
7 \$4,324.07 for the Division's pre-hearing costs and attorney's fees, which the Division
8 maintains is actual, reasonable and necessary. This amount will be paid within thirty (30)
9 days of the effective date of this Order.

10 4. The RESPONDENT and the Division agree that by entering into this
11 Stipulation, the RESPONDENT does not admit liability, or concede any defense or
12 mitigation, as to the claims asserted herein, and the Division does not concede any defense
13 or mitigation that the RESPONDENT might otherwise assert. The RESPONDENT and the
14 Division further agree that this stipulation has no precedential or persuasive value in any
15 other proceeding or matter. Once this Stipulation is approved and fully performed, the
16 Division will close its file in this matter and release RESPONDENT from any liability
17 based on the facts alleged in this matter.

18 5. The RESPONDENT agrees and understands that by entering into this
19 Stipulation he is waiving his right to a hearing at which he may present evidence in his
20 defense, his right to a written decision on the merits of the complaint, his rights to
21 reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which
22 may be accorded by the Nevada Administrative Procedure Act, the Nevada Common-
23 Interest Communities and Condominium Hotels statutes and accompanying regulations,
24 and the federal and state Constitutions.

25 6. The RESPONDENT understands that this Agreement and other
26 documentation may be subject to public records laws.

27 7. The Commission members who review this matter for approval of this
28 Stipulation may be the same members who ultimately hear, consider, and decide the

1 Complaint if this Stipulation is either not approved by the Commission or is not timely
2 performed by the RESPONDENT. The RESPONDENT fully understand that he has the
3 right to be represented by legal counsel in this matter at his own expense.

4 8. Stipulation and Order is Not Evidence. Neither this Stipulation and Order
5 nor any statements made concerning this Stipulation and Order may be discussed or
6 introduced into evidence at any hearing on the Complaint, if the Division must ultimately
7 present its case based on the Complaint filed in this matter.

8 9. Approval of Stipulation. Once executed, this Stipulation will be filed with the
9 Commission and will be placed on the agenda for approval at its next public meeting. The
10 Division will recommend to the Commission approval of the Stipulation. The
11 RESPONDENT agrees that the Commission may approve, reject, or suggest amendments
12 to this Stipulation that must be accepted or rejected by the RESPONDENT before any
13 amendment is effective.

14 10. Withdrawal of Stipulation. If the Commission rejects this Stipulation or
15 suggests amendments unacceptable to the RESPONDENT, he may withdraw from this
16 Stipulation, and the Division may pursue its Complaint before the Commission. This
17 Stipulation then shall become null and void and unenforceable in any manner against
18 either party.

19 11. Release. In consideration of the execution of this Stipulation, the
20 RESPONDENT for himself, his heirs, executors, administrators, successors, and assigns,
21 hereby releases, remises, and forever discharges the State of Nevada, the Department of
22 Business and Industry, and the Division, and each of their respective members, agents,
23 employees, and counsel in their individual and representative capacities, from any and all
24 manner of actions, causes of action, suits, debts, judgments, executions, claims, and
25 demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever had,
26 now has, may have, or claim to have against any or all of the persons or entities named in
27 this section, arising out of or by reason of the Division's investigation of this action, this
28 disciplinary action, and all matters related thereto.

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

10 13. Default. The RESPONDENT agrees that if the terms and conditions of this
11 Stipulation and Order are not met, the Division may, at its option, rescind this Stipulation
12 and Order and proceed with prosecuting the Complaint before the Commission.

13 14. The RESPONDENT has signed and dated this Stipulation only after reading
14 and understanding all terms herein.

15 DATED: June 10, 2024.

17
18 By: /s/ Keith Dempsey
Keith Dempsey, Respondent

19 DATED: June ____, 2024.

20 NEVADA DEPARTMENT OF BUSINESS &
INDUSTRY, REAL ESTATE DIVISION

21 By: _____
Sharath Chandra, Administrator

23 Approved as to form:

24 Lewis Brisbois Bisgaard & Smith LLP

AARON D. FORD
Attorney General

25
26
27 By: /s/ Vivienne Rakowsky
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28 By: /s/ Phil W. Su
PHIL W. SU (Bar No. 10450)
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555 E. Washington Ave. Ste 3900

1 Las Vegas, Nevada 89118
2 *Attorneys for Respondent*

Las Vegas, Nevada 89101
Attorneys for Real Estate Division

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4 **ORDER**

5 **IT IS ORDERED** that the foregoing Stipulation and Order for Settlement of
6 Disciplinary Action is approved in full, and will be effective as of the date this Order is
7 signed.

8 Dated: June ____, 2024.

9 COMMISSION FOR COMMON-INTEREST
10 COMMUNITIES AND CONDOMINIUM
11 HOTELS, DEPARTMENT OF BUSINESS &
INDUSTRY, STATE OF NEVADA

12 By: _____
13 Phyllis Tomasso, Chairwoman

14 Submitted by:

15 AARON D. FORD
16 Attorney General

17 By: /s/ Phil W. Su
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