

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

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

Petitioner,

vs.

Keith Dempsey,

Respondent.

Case No. 2023-552

FILED

AUG 25 2023

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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**COMPLAINT FOR DISCIPLINARY
ACTION AND NOTICE OF HEARING**

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 the State of Nevada, and Phil W. Su, Senior Deputy Attorney General, hereby notifies KEITH DEMPSEY ("Dempsey" and/or "RESPONDENT") of an administrative hearing before the Commission for Common-Interest Communities and Condominium Hotels, 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"). The purpose of the hearing is to consider the allegations stated below and to determine if an administrative penalty will be imposed on the RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NRS 116.785 and NRS 116.790.

JURISDICTION AND NOTICE

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

2. RESPONDENT is subject to the provisions of Chapters 116 of the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and is subject to the jurisdiction of the Division and

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

3 **FACTUAL ALLEGATIONS**

4 3. At all relevant times herein, the Association is a common-interest
5 community pursuant to NRS 116.021 located in Las Vegas, Nevada. [NRED 0001-0006]

6 4. On or about June 16, 2023, COMPLAINANT Karen Torres (hereinafter
7 "COMPLAINANT") filed a Form 530 Intervention Affidavit against RESPONDENT.
8 [NRED0008-0012].

9 5. COMPLAINANT alleges, in her Intervention Affidavit, that on April 5,
10 2023, she, in her capacity as an administrative assistant for the Association's retained
11 management company, attended a meeting with the Association's community manager,
12 Debi Pike; Association Board Member and Secretary Brian Shannon; and management
13 company employee Edwina Daley, to discuss and begin the process of conducting a recall
14 election against RESPONDENT. [NRED0008-0012].

15 6. During the meeting, RESPONDENT and Association homeowner Bill
16 Farnsworth entered the meeting room uninvited and interrupted the meeting.
17 [NRED0008-0012].

18 7. Debi Pike explained that it was a closed meeting between management
19 company staff and board members, and that Mr. Farnsworth would have to leave,
20 although RESPONDENT could stay. [NRED0008-0012].

21 8. RESPONDENT became verbally abusive and acted in an aggressive manner
22 towards Pike and the other management company employees. [NRED0008-0012].

23 9. When the employees attempted to leave the room, the RESPONDENT
24 prevented COMPLAINANT from leaving, made physical contact with her, and forcibly
25 took a box that she was holding from her. [NRED0008-0012].

26 10. COMPLAINANT filed a police report regarding the incident. [NRED0013-
27 0019].

28 11. COMPLAINANT subsequently filed for a temporary restraining order

1 against RESPONDENT, which was granted by Las Vegas Justice Court. [NRED0005-
2 0020-0039].

3 12. On July 13, 2023, the Division sent correspondence via certified mail
4 informing RESPONDENT that he was the subject of a Division investigation concerning
5 the allegations in the Intervention Affidavit, and requesting a written response to those
6 allegations by July 27, 2023. [NRED 0042-0043].

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

9 14. On or about August 10, 2023, the Division issued an NRS 233B letter
10 notifying RESPONDENT that it intended to bring a disciplinary action against him for a
11 hearing before the Commission. [NRED 0044-0047].

12 VIOLATIONS OF LAW

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

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

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

22 DISCIPLINE AUTHORIZED

23 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
24 116.790 the Commission has discretion to take any, or all, of the following actions:

25 1. Issue an order directing RESPONDENT to cease and desist from continuing
26 to engage in the unlawful conduct that resulted in the violation.

27 2. Issue an order directing RESPONDENT to take affirmative action to correct
28 any conditions resulting from the violation.

3. Impose an administrative fine of up to \$1,000 for each violation by
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.

6. Require RESPONDENT to pay the costs of the proceedings incurred by the 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. The 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.

1 **STACKED CALENDAR:** Your hearing is one of several hearings scheduled
2 at the same time as part of a regular meeting of the Commission that is expected
3 to last from September 26, 2023, through September 28, 2023, or earlier if the
4 business of the Commission is concluded. Thus, your hearing may be continued
5 until later in the day or from day to day. It is your responsibility to be present
6 when your case is called. If you are not present when your hearing is called, a
7 default may be entered against you and the Commission may decide the case as
8 if all allegations in the complaint were true. If you need to negotiate a more
9 specific time for your hearing in advance because of coordination with an out of
10 state witness or the like, please call Maria Gallo, Commission Coordinator at
11 (702) 486-4074.

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

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

24 You have the right to request that the Commission issue subpoenas to compel
25 witnesses to testify and/or evidence to be offered on your behalf. In making the request,
26 you may be required to demonstrate the relevance of the witness' testimony and/or
27 evidence. Other important rights you have are listed in NRS Chapter 116, NAC Chapter
28 116, including without limitation, NRS 116.770 through 116.780 and NAC 116.500 through

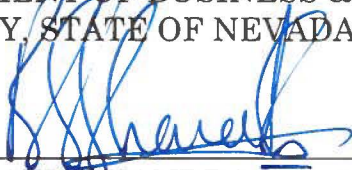
1 NAC 116.635 and NRS Chapter 233B.

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.

13 DATED this 25 day of August, 2023.

14 REAL ESTATE DIVISION,
15 DEPARTMENT OF BUSINESS &
16 INDUSTRY, STATE OF NEVADA

17 By: 
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