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FILED

JUN 16 2025

REAL ESTATE COMMISSION

BY 

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

vs.

ANDREW J. AREVALO,
(S.0184627)

Respondent.

Case No.: 2024-660

**RESPONDENT'S ANSWER TO THE
FIRST AMENDED COMPLAINT**

COMES NOW, Respondent ANDREW J. AREVALO ("Respondent"), by and through his counsel of record, Chandon S. Alexander, Esq. of the SPARTACUS LAW FIRM, and in response to the Complaint filed by the Real Estate Division of the Department of Business and Industry of the State of Nevada ("Division"), answers as follows:

JURISDICTION

Respondent admits that at all relevant times mentioned in the Complaint, he was actively licensed as a salesperson (S.0184627). Respondent admits that his salesperson's license is currently in "active" status. The remaining allegations in this unnumbered paragraph state only legal conclusions for which no answer is required.

FACTUAL ALLEGATIONS

1. In response to Paragraph 1 of the Complaint, Respondent denies the allegations of this paragraph in their entirety.

2. In response to Paragraph 2 of the Complaint, Respondent admits that on December 4, 2023, he entered a plea of guilty to Count One of Assault in the Second Degree, a Class F4 - As an Act of Domestic Violence.

3. In response to Paragraph 3 of the Complaint, Respondent admits he was sentenced to two (2) years of supervised probation.

4. In response to Paragraph 4 of the Complaint, Respondent admits that on April 11, 2024, he entered into a Stipulation for Diversion with the Colorado Real Estate Commission.

5. In response to Paragraph 5 of the Complaint, Respondent admits he acknowledged violating § 12-10-217(1)(n) C.R.S.

6. In response to Paragraph 6 of the Complaint, Respondent admits he accepted the administrative fine and his Colorado real estate license was placed on probation concurrent with his criminal sentencing.

7. In response to Paragraph 7 of the Complaint, Respondent is without sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained in this paragraph, and on that basis denies the allegations in their entirety.

8. In response to Paragraph 8 of the Complaint, Respondent admits that the Division sent an opening investigation letter on July 18, 2024.

9. In response to Paragraph 9 of the Complaint, Respondent admits that the Division informed him on September 12, 2024, of its intent to proceed formally.

13. In response to Paragraph 13, Respondent denies the allegations of this paragraph as framed. Petitioner was already aware of the Stipulation for Deferred Judgment in the Colorado matter at the time of the renewal.

4. In response to paragraph 4 alleging a violation of law, Respondent denies the allegations of this paragraph in their entirety, including sub-paragraphs (a) and (b).

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1 5. In response to paragraph 5, Respondent denies that discipline is warranted. The
2 remaining allegations in this paragraph state only legal conclusions for which no answer is
3 required.

4 6. In response to paragraph 6, Respondent denies that discipline is warranted. The
5 remaining allegations in this paragraph state only legal conclusions for which no answer is
6 required.

7 7. In response to paragraph 7, Respondent denies that discipline is warranted. The
8 remaining allegations in this paragraph state only legal conclusions for which no answer is
9 required.

10 **RESPONDENT ASSERTS THE FOLLOWING AFFIRMATIVE DEFENSES**

11 As separate and distinct affirmative defenses, Respondent alleges as follows:

12 **FIRST AFFIRMATIVE DEFENSE**

13 **(Failure to State a Claim)**

14 Petitioner's Complaint fails to state a claim against Respondent upon which relief can
15 be granted.
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17 **SECOND AFFIRMATIVE DEFENSE**

18 **(Laches, Unclean Hands, Equity)**

19 Respondent alleges that the Petitioner's claims are barred by the equitable doctrines of
20 laches, unclean hands, and/or failure to do equity.
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22 **THIRD AFFIRMATIVE DEFENSE**

23 **(Void for Vagueness)**
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1 NRS 645.330(1), NRS 645.633(1)(d)(2), and NRS 645.615(2) are unconstitutionally
2 vague both facially and as applied to Respondent. The statutes fail to provide fair notice of
3 what conduct is prohibited and grant excessive discretion to enforcement authorities. The term
4 “moral turpitude” in NRS 645.633(1)(d)(2) is particularly vague and standardless, leaving real
5 estate professionals without clear guidance on what conduct might jeopardize their licenses.
6 The requirement to demonstrate “general qualifications” under NRS 645.330(1) similarly fails
7 to provide adequate notice of prohibited conduct or clear standards for enforcement.
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10 **FOURTH AFFIRMATIVE DEFENSE**

12 **(Equal Protection)**

13 The Division’s selective enforcement of these statutes against Respondent violates the
14 Equal Protection Clause of the Fourteenth Amendment. The Division has not uniformly
15 required licensees with out-of-state convictions or disciplinary actions to face additional
16 Nevada discipline. This disparate treatment of similarly situated licensees lacks a rational basis
17 and appears arbitrary, particularly where the underlying conduct occurred entirely outside
18 Nevada and involved no Nevada citizens. The Division’s actions create an arbitrary
19 classification between licensees disciplined in their home states and those facing additional
20 Nevada discipline. Moreover, Respondent is being selectively targeted based on his gender
21 and/or on the basis of the underlying allegations and/or guilty plea.
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25 **FIFTH AFFIRMATIVE DEFENSE**

26 **(Due Process)**

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1 The Division's actions violate both procedural and substantive due process under the
2 Fourteenth Amendment. Procedurally, the Division's attempt to impose discipline based on
3 out-of-state conduct without clear standards or consistent application deprives Respondent of
4 fair notice and a meaningful opportunity to be heard. Substantively, the Division's attempt to
5 impose additional punishment beyond that already imposed by Colorado is arbitrary and lacks
6 a sufficient nexus to Nevada's legitimate regulatory interests. The Division's interpretation of
7 its authority to impose duplicative discipline shocks the conscience and violates fundamental
8 principles of justice.
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10 **SIXTH AFFIRMATIVE DEFENSE**

11 **(First Amendment)**

12 The Division's actions violate Respondent's First Amendment rights, including in that
13 requiring Respondent to self-report out-of-state conduct constitutes compelled speech in
14 violation of the First Amendment. The Division's attempt to discipline Respondent based on
15 conduct unrelated to his professional speech or conduct creates an unconstitutional condition
16 on his professional license. The Division's broad interpretation of "moral turpitude" creates a
17 chilling effect on licensees' protected speech and associational rights. The Division's
18 requirement that Respondent demonstrate rehabilitation through specific statements or actions
19 constitutes impermissible compelled speech and belief.
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24 **SEVENTH AFFIRMATIVE DEFENSE**

25 **(Interstate Comity and Full Faith and Credit)**

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1 The Division's attempt to impose additional discipline violates principles of interstate
2 comity and full faith and credit. Colorado has already investigated and imposed appropriate
3 discipline for the same conduct. The Division should defer to or adopt Colorado's disciplinary
4 measures rather than impose duplicative penalties, as this promotes interstate cooperation and
5 consistent regulation of real estate professionals who practice across state lines.
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7 **EIGHTH AFFIRMATIVE DEFENSE**

8 **(Commerce Clause Violation)**

9 The Division's proposed discipline would violate the Commerce Clause of the United
10 States Constitution by unduly burdening interstate commerce in real estate services. The
11 imposition of duplicative and potentially conflicting requirements on real estate professionals
12 licensed in multiple states, particularly where no Nevada citizens were involved in the
13 underlying incident, creates an impermissible burden on interstate commerce without
14 demonstrating a sufficient local state interest.
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17 **NINTH AFFIRMATIVE DEFENSE**

18 **(Lack of Proportionality and Nexus)**

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20 The Division's proposed action violates principles of proportionality and fundamental
21 fairness. The incident occurred entirely within Colorado, involved no Nevada citizens, and has
22 no direct nexus to Respondent's practice of real estate in Nevada. Colorado, as the home state
23 where the incident occurred, has already imposed appropriate discipline that adequately
24 protects the public interest.
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27 **TENTH AFFIRMATIVE DEFENSE**
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(Duplicative Punishment)

The Division's action constitutes improper duplicative punishment. Respondent has already been sanctioned criminally in Colorado and disciplined professionally by the Colorado Real Estate Commission. Nevada's legitimate regulatory interests can be adequately protected by reciprocally enforcing Colorado's disciplinary measures. Any additional punishment would be excessive in relation to Nevada's legitimate regulatory interests.

ELEVENTH AFFIRMATIVE DEFENSE

(Administrative Res Judicata and Collateral Estoppel)

Under principles of administrative res judicata and collateral estoppel, the Colorado adjudication of the professional implications of Respondent's conduct should be given preclusive effect. Nevada should be bound by or at minimum give substantial weight to Colorado's findings and conclusions. Relitigation of these issues wastes administrative resources and risks inconsistent results. No new facts or circumstances justify a separate Nevada proceeding.

TWELFTH AFFIRMATIVE DEFENSE

(Regulatory Conflict and Burden)

The Division's proposed action violates principles of regulatory comity and creates an undue risk of conflicting obligations. Respondent is already subject to Colorado's probationary requirements, and additional or different Nevada requirements could create impossible or conflicting obligations. Multiple state oversight of the same conduct creates unnecessary

1 regulatory burden when Nevada's legitimate regulatory interests can be served through
2 reciprocal enforcement of Colorado's discipline.

3 **THIRTEENTH AFFIRMATIVE DEFENSE**

4 **(Prosecutorial Vindictiveness)**

5 The Division's amendments to the complaint are vindictive and were made in response
6 to Respondent's legitimate exercise of his constitutional, equitable and/or statutory rights,
7 including making a motion for a continuance and seeking mandamus relief in the District Court
8 and in the Colorado Court of Appeals. Accordingly, they are barred by the doctrine of
9 prosecutorial vindictiveness.
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13 **PRAYER FOR RELIEF**

14 WHEREFORE, Respondent prays for relief as follows:
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- 16 1. That Petitioner take nothing by way of the Complaint;
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18 2. That Respondent be awarded his reasonable fees and costs;
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20 3. For any such other and further relief as the Real Estate Commission may deem just and
21 proper in this case;

22 Dated this 16th day of June, 2025.
23

24 **SPARTACUS LAW FIRM**

25
26 /s/ Chandon S. Alexander
27 Chandon S. Alexander, Esq.
28 Nevada Bar No. 12033
400 South Seventh Street, Suite 100
Las Vegas, Nevada 89101

Attorney for Respondent

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I hereby certify that on the 16th day of June 2025,
I caused the preceding document entitled **RESPONDENT'S ANSWER TO THE FIRST
AMENDED COMPLAINT** to be served on the following parties via electronic service:

REAL ESTATE DIVISION
STATE OF NEVADA
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ATTN: Sharath Chandra

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/s/ Chandon S. Alexander
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