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REAL ESTATE COMMISSION

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

VS.

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ANDREW J. AREVALO, (S.0184627)

Respondent.

Case No.: 2024-660

RESPONDENT'S MOTION TO DISMISS PETITIONER'S 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, hereby moves this Commission to dismiss the First Amended Complaint filed herein, and as grounds therefore states as follows:

I. INTRODUCTION

This Motion seeks dismissal of the First Amended Complaint on two independent grounds: (1) both Counts under NRS 645.330(1)(b) fail to state a claim upon which relief can be granted and are legally insufficient as a matter of law; and (2) the Amended Complaint was

filed in retaliation for Respondent's legitimate exercise of his statutory and constitutional rights, warranting dismissal under the doctrine of prosecutorial vindictiveness.

The charges under NRS 645.330(1)(b) are simply not cognizable as a matter of law, because they allege "false statements" regarding information that was already known to the Division and is the very subject of these proceedings. A statement cannot be materially false when the purported recipient already possesses full knowledge of the underlying facts.

Moreover, the statute requires intent to deceive, which cannot exist when the Division was fully apprised of all relevant circumstances.

Additionally, the timing and circumstances surrounding the filing of the Amended Complaint demonstrate prosecutorial vindictiveness. Following unusually acrimonious litigation concerning the continuance of the hearing before the Commission in this matter, the Court of Appeals' granted Respondent's request for a temporary stay of these proceedings on May 12, 2025. In apparent retaliation for Respondent's legitimate pursuit of mandamus relief regarding the continuance, Petitioner filed the Amended Complaint immediately thereafter, on May 16, 2025.

II. FACTUAL BACKGROUND

On October 1, 2024, the Division filed its original Complaint in this matter. Declaration of Chandon S. Alexander ("Alexander Decl.") ¶ 3. Respondent has been defending these proceedings for months. Alexander Decl. ¶ 4.

On February 4, 2025, Respondent filed a Motion to Stay and Continue, or in the Alternative Dismiss, raising substantial constitutional and procedural issues. Alexander Decl. ¶ 5. On April 14, 2025, this Commission denied Respondent's motion for a continuance. Alexander Decl. ¶ 6.

In response to the Commission's denial, Respondent exercised his legitimate right to seek judicial relief by filing a Petition for Writ of Mandamus in the District Court for Clark County, Nevada (Case No. A-25-917222-W) on April 18, 2025. Alexander Decl. ¶ 7.

On May 9, 2025, Respondent filed a separate mandamus petition in the Nevada Court of Appeals (Case No. 90605-COA). Alexander Decl. ¶ 8. On May 12, 2025, the Court of Appeals temporarily granted a stay of proceedings in this matter. Alexander Decl. ¶ 9.

Throughout the mandamus proceedings, Petitioner has demonstrated unusual acrimony toward Respondent, repeatedly accusing Respondent's counsel of "gamesmanship" in public filings without any basis or court findings supporting such accusations. Alexander Decl. ¶ 12.

On May 16, 2025—just four days after the Court of Appeals granted the temporary stay—Petitioner filed the First Amended Complaint. Alexander Decl. ¶ 10. The Amended Complaint adds charges related to Respondent's April 2025 license renewal application—conduct that allegedly occurred more than a month earlier, but was not the subject of an amended pleading until after Respondent obtained a stay of proceedings. Alexander Decl. ¶ 11.

Indeed, the amended pleading facially appears to be untenable, accusing Respondent of false statements regarding the purported imposition of "discipline." In fact, the April 11, 2024 Order for Stipulation with the Colorado Real Estate Commission expressly stated that it was an "alternative[] to the initiation of formal disciplinary action and imposition of discipline." Alexander Decl. ¶ 13 (citing NRED 000019) (emphasis added). Likewise, the amended pleading strains to charge Respondent with making "false statements" about information that is already known to the Division and Commission and is the very subject of the instant proceeding.

Given the timing and thinness of these allegations, they carry the appearance of prosecutorial vindictiveness.

III. ARGUMENT

A. Both Counts Under NRS 645.330(1)(b) Fail to State a Claim Upon Which Relief Can Be Granted

NRS 645.330(1)(b) prohibits applicants who have "made a false statement of material fact on his or her application." The statute requires proof of three elements: (1) a statement of fact, (2) that is false, and (3) that is material. Critically, the concept of "falsity" inherently requires an intent to deceive or, at minimum, knowledge of the statement's inaccuracy.

However, Petitioner's allegations as to Counts I-II under NRS 645.330(1)(b) are flawed in that they concern information already known to the Division and actively being litigated in these very proceedings. Alexander Decl. ¶ 14. A statement cannot be materially false when the purported recipient possesses complete knowledge of the underlying facts. For example, there can be no "reliance" on such a statement in these circumstances. *See Blanchard v. Blanchard*, 108 Nev. 908, 911 (1992).

Here, where the Division was fully aware of Respondent's criminal proceedings, guilty plea, and Colorado disciplinary matter—indeed, these facts form the entire basis of the original Complaint—no reasonable factfinder could conclude that Respondent's renewal responses influenced or were capable of influencing the Division's decision-making.

The word "false" in NRS 645.330(1)(b) imputes a requirement of fraudulent intent. Here, Respondent cannot be deemed to have intended to deceive the Division regarding facts that were already the subject of active disciplinary proceedings before the same agency. The Division had full knowledge of the ongoing disciplinary proceedings filed October 1, 2024

(Alexander Decl. ¶ 3) and all underlying facts regarding both the criminal case and Colorado disciplinary matter.

Under these circumstances, any alleged misstatement would constitute, at most, inadvertent oversight rather than intentional deception. NRS 645.330(1)(b) cannot be stretched to criminalize mere administrative oversights, particularly where the Division possessed complete knowledge of all relevant facts.

B. Count One Fails Because No "Disciplinary Sanctions" Were Imposed

Count One alleges false reporting regarding "disciplinary sanctions imposed by any real estate regulatory agency." However, the Colorado Stipulation for Diversion expressly stated it was an "alternative[] to the initiation of formal disciplinary action and imposition of discipline." Alexander Decl. ¶ 13.

By definition, an alternative to disciplinary action cannot constitute disciplinary action itself. The Colorado Commission specifically structured the agreement to avoid formal discipline, making Respondent's "No" response on his renewal application accurate as a matter of law.

As such, Petitioner's Count One is baseless and must be dismissed.

C. The Amended Complaint Must Be Dismissed Under the Doctrine of Prosecutorial Vindictiveness

"A claim for vindictive prosecution arises when the government increases the severity of alleged charges in response to the exercise of constitutional or statutory rights." *Lewis v. State*, 125 Nev. 1056 (2009). To establish a prima facie case, a respondent must show either direct evidence of vindictiveness or facts warranting an appearance of such. *Manning v. State*, 135 Nev. 682, 445 (2019).

The doctrine protects against "penalizing a person for doing what the law plainly allows him to do," which "is a due process violation of the most basic sort." *Bordenkircher v. Hayes*, 434 U.S. 357, 363 (1978).

Here, the timing and circumstances of the Amended Complaint create an unmistakable appearance of vindictiveness. The Amended Complaint was filed on May 16, 2025, just four days after the Court of Appeals granted Respondent's request for a temporary stay on May 12, 2025. Alexander Decl. ¶¶ 9-10. This temporal proximity alone creates a strong inference of retaliatory motive.

Respondent's mandamus petitions were legitimate exercises of his statutory and constitutional rights to challenge the Commission's procedural rulings. Alexander Decl. ¶¶ 7-8.

The right to seek judicial review of administrative action is fundamental to due process.

The Amended Complaint adds charges related to Respondent's April 2025 renewal application. Alexander Decl. ¶ 11. However, these charges could have been filed months earlier, as the renewal occurred in April 2025 and the Division was immediately aware of the renewal responses.

Moreover, as indicated, throughout these proceedings, Petitioner has demonstrated unusual hostility, repeatedly accusing Respondent's counsel of "gamesmanship" without basis or court findings. Alexander Decl. ¶ 12. This pattern of acrimonious conduct supports an inference of vindictive motive. "Once a presumption of vindictiveness has arisen, the burden shifts to the prosecution to show that independent reasons or intervening circumstances dispel the appearance of vindictiveness and justify its decisions." *Montoya v. United States*, 45 F.3d 1286, 1299 (9th Cir. 1995).

Here, Petitioner cannot point to any intervening circumstances or newly discovered evidence justifying the addition of charges in the Amended Complaint. The renewal application was allegedly filed in April 2025, yet no charges were added until after Respondent successfully obtained a stay from the Court of Appeals. This timing demonstrates that the charges were added not because of any legitimate prosecutorial need, but in retaliation for Respondent's exercise of his rights. Alexander Decl. ¶¶ 15-17.

In fact, Petitioner's evident willingness to litigate so heavily against Respondent to prevent a simple continuance of the May 2025 hearing is difficult to reconcile with the May 16, 2025 filing of the First Amended Complaint. If Petitioner knew of the charges it added in the First Amended Complaint, and intended to pursue them legitimately, why not stipulate to a continuance that would allow the entire case to be heard at once? The filing of additional charges in direct response to Respondent's successful pursuit of mandamus relief creates precisely the type of "realistic likelihood of vindictiveness" that due process protections are designed to prevent. *Blackledge v. Perry*, 417 U.S. 21, 27 (1974).

Such retaliatory prosecution not only harms Respondent but also chills the exercise of fundamental rights by other licensees who might otherwise seek legitimate judicial relief from adverse administrative rulings. Accordingly, the Amended Complaint must be dismissed.

IV. CONCLUSION

For the foregoing reasons, Respondent respectfully requests that this Commission dismiss Counts I-II under NRS 645.330(1)(b) for failure to state a claim upon which relief can be granted; dismiss the entire Amended Complaint under the doctrine of prosecutorial vindictiveness; award Respondent his reasonable attorney's fees and costs; and grant such other relief as the Commission deems just and proper.

Dated this 29th day of July, 2025.

Respectfully submitted,

SPARTACUS LAW FIRM

/s/ Chandon S. Alexander
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STATE OF NEVADA

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	Respondent.		
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DECLARATION OF CHANDON S. ALEXANDER, ESQ. IN SUPPORT OF RESPONDENT'S MOTION TO DISMISS PETITIONER'S FIRST AMENDED **COMPLAINT**

CHANDON S. ALEXANDER, ESQ., hereby deposes and states the following under the pains and penalties of perjury:

1.	I am an attorney licensed to practice law in the State of Nevada and am Counse
of Record for	Respondent Andrew J. Arevalo in case number 2024-660.

- 2. I have personal knowledge of the facts and circumstances herein and could testify to the same if called as a witness.
- On October 1, 2024, the Division filed its original Complaint against

 Respondent in this matter.
- 4. Since the filing of the original Complaint, Respondent has been actively defending these disciplinary proceedings for months. The case has been continued multiple times, as acknowledged in the First Amended Complaint.
- 5. On February 4, 2025, Respondent filed a Motion to Stay and Continue, or in the Alternative Dismiss, raising substantial constitutional and procedural issues regarding the appropriateness of proceeding with discipline based on a guilty plea that is subject to withdrawal upon successful completion of probation.
- 6. On April 14, 2025, this Commission denied Respondent's motion for a continuance, setting the matter for hearing.
- 7. In response to the Commission's denial of the continuance motion, on April 18, 2025, I filed on behalf of Respondent a Petition for Writ of Mandamus in the District Court for Clark County, Nevada, bearing Case No. A-25-917222-W. This petition sought relief from the Commission's denial of the continuance motion and challenged the Commission's authority to proceed with discipline under the circumstances of this case.

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- 8. On May 9, 2025, I filed a separate Petition for Writ of Mandamus on behalf of Respondent in the Nevada Court of Appeals, bearing Case No. 90605-COA, seeking similar relief.
- 9. On May 12, 2025, the Nevada Court of Appeals temporarily granted a stay of proceedings in this matter pending consideration of Respondent's mandamus petition.
- 10. On May 16, 2025, just four days after the Court of Appeals granted the temporary stay, Petitioner filed the First Amended Complaint in this matter.
- 11. The First Amended Complaint adds charges related to Respondent's April 2025 license renewal application, specifically alleging violations of NRS 645.330(1)(b) based on Respondent's responses to Questions 10 and 11 of said renewal application. This conduct allegedly occurred in April 2025, yet no charges related to the renewal application were included in any previous filings by the Division, despite the fact that such charges could have been filed earlier.
- 12. Throughout these proceedings, Petitioner has demonstrated unusual acrimony toward Respondent and his counsel. In multiple public filings, Petitioner has accused Respondent's counsel of "gamesmanship" without any factual basis for such accusations and without any findings of "gamesmanship" by any court or tribunal. This pattern of hostile rhetoric is unusual and unprofessional.
- 13. The April 11, 2024 Order for Stipulation between Respondent and the Colorado Real Estate Commission expressly stated that the stipulation was an "alternative[] to the initiation of formal disciplinary action and imposition of discipline." NRED 000019.
- 14. The Division has been fully aware of all facts underlying the charges in the Amended Complaint since at least October 2024. The Division cannot now claim surprise or

deception regarding information that forms the foundation of its own disciplinary case against Respondent.

- 15. The temporal sequence of events creates an unmistakable appearance of vindictiveness. On April 14, 2025, the Commission denied Respondent's continuance motion. On April 18, 2025, Respondent filed a mandamus petition in District Court. On May 9, 2025, Respondent filed mandamus petition in the Court of Appeals. On May 12, 2025, the Court of Appeals granted temporary stay. On May 16, 2025, in apparent retaliation for Respondent's obtaining of a stay from the Court of Appeals, the Division filed Amended Complaint adding new charges
- 16. The addition of charges relating to the April 2025 renewal application appears to be directly retaliatory for Respondent's successful pursuit of mandamus relief, particularly given that such charges could have been filed earlier but were not included until after Respondent obtained a stay from the Court of Appeals.
- 17. There are no intervening circumstances or newly discovered evidence that would justify the timing of the Amended Complaint. The renewal application was submitted in April 2025, and the Division was immediately aware of its contents.

I declare under penalty of perjury pursuant to the laws of the State of Nevada (NRS 53.045)¹

DATED this 29th day of July, 2025.

¹ NRS 53.045 Use of unsworn declaration in lieu of affidavit or other sworn declaration. Any matter whose existence or truth may be established by an affidavit or other sworn declaration may be established with the same effect by an unsworn declaration of its existence or truth signed by the declarant under penalty of perjury, and dated, in substantially the following form: 1. If executed in this State: "I declare under penalty of perjury that the foregoing is true and correct."

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/s/ Chandon S. Alexander

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by email:

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I hereby certify that on the 29th day of July, 2025

I caused the preceding document entitled RESPONDENT'S MOTION TO DISMISS

PETITIONER'S FIRST AMENDED COMPLAINT to be served on the following parties

REAL ESTATE DIVISION STATE OF NEVADA 3300 W. Sahara Avenue, Suite 350 Las Vegas, Nevada 89102 ATTN: Sharath Chandra

Aaron D. Ford Christal P. Keegan 5420 Kietzke Lane, Suite 202 Reno, Nevada 89511 Attorney for Real Estate Division

/s/ Chandon S. Alexander
An Employee of SPARTACUS LAW FIRM