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

JUN 12 2024

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

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STIPULATION AND ORDER

FOR SETTLEMENT OF DISCIPLINARY ACTION

This Stipulation for Settlement of Disciplinary Action ("Stipulation") is entered by and between 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, and Respondent Keith Dempsey ("Dempsey" and/or "RESPONDENT"), by and through his counsel, Marc S. Cwik, Esq. and Vivienne Rakowsky, Esq. of Lewis Brisbois Bisgaard & Smith LLP.

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

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SUMMARY OF FACTUAL ALLEGATIONS
AS ALLEGED IN THE FIRST AMENDED COMPLAINT

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

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

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. [NRED0003-0004; 0012].

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

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

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

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

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

0011].

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

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

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

VIOLATIONS OF LAW AS ALLEGED IN THE FIRST AMENDED COMPLAINT

15. RESPONDENT violated NRS 116.3103 pursuant to NAC 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.

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

PROPOSED SETTLEMENT AGREEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DATED: June 10, 2024.

By: /s/ Keith Dempsey
Keith Dempsey, Respondent

DATED: June 11, 2024.

NEVADA DEPARTMENT OF BUSINESS & INDUSTRY, REAL ESTATE DIVISION

By: _____
Sharath Chandra, Administrator

Approved as to form:

Lewis Brisbois Bisgaard & Smith LLP

By: /s/ Vivienne Rakowsky
MARC S. CWIK (Bar No. 6946)
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Attorneys for Respondent

Las Vegas, Nevada 89101
Attorneys for Real Estate Division

ORDER

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

Dated: June 12th, 2024.

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

By: _____
Phyllis Tomasso, Chairwoman

Submitted by:

AARON D. FORD
Attorney General

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