

Las Vegas Homeowners Association Scandal Claims 4th Victim

By Eamon Murphy



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KTNV /K.M. Cannon, AP The body count has reached four in a Nevada homeowners association scandal that has witnesses fearing for their lives.

The case concerns a 2008 scheme by several conspirators to gain control of HOA boards through fraudulent elections and the use of so-called "straw buyers," in order to steer business to a favored law firm and construction company. Two critically important figures, both attorneys, were found dead this week, both possible suicide victims.

The body of 57-year-old Las Vegas lawyer David Amesbury (pictured at far left) was discovered Sunday by Amesbury's brother in Grass Valley, Calif., near Sacramento. Amesbury, who had been staying at his brother's home, was found hanging in a shed. In October 2011, he pleaded guilty to one count of conspiracy to commit mail and wire fraud and one count of conspiracy to commit bank fraud.

"There is no evidence of foul play or suspicion right now, but it's still being investigated," said Nevada County Chief Deputy Coroner Paul Schmidt, [speaking with ABC News](#). It will take about 10 weeks for autopsy results to be released.

"I know of no specific reason why he would have done this," said Frank Cremen, Amesbury's defense lawyer. According to his plea bargain, Amesbury was facing a maximum of 27 years in federal prison. But Cremen said his client would not have served such a harsh sentence, having cut a deal with federal investigators that required him "to provide complete and truthful information and testimony concerning [his] knowledge of all other persons who are committing or have committed offenses against the United States or any state" (in the words of the plea

memorandum). Sentencing had been adjourned until Sept. 21, 2012, "but it would have been postponed and postponed repetitiously," Cremen said in an interview. "The government would not have wanted him sentenced until he testified, and the people he would have been testifying against hadn't even been indicted yet."

"I know his family doesn't believe it was a suicide," Cremen previously told ABC.

In addition to pleading guilty in the HOA conspiracy, Amesbury confessed to being a part of previous plot, this one intended to defraud banks in the course of seeking to refinance a Clark County courthouse cafe of which he was a partial owner. It was through this business venture that Amesbury knew two men -- former construction company boss Leon Benzer and former Las Vegas Police Lt. Benjamin Kim -- who are reportedly targets of the federal investigation into the HOAs, although neither man has been charged.

Amesbury's legal troubles were not the only adversity he faced. On the morning of Nov. 16, he "was found severely beaten on the side of the road" in a gated community in Henderson, Nev., according to Las Vegas TV station KTNV. Amesbury was shirtless, with his pants around his ankles. "He was really beaten to a pulp," a source close to the investigation said, according to the *Daily Mail*. "He had two broken ribs, and both his kneecaps were shattered. He also had a variety of facial injuries." Amesbury was in possession of 30 Valium pills and indicated to police that he planned to kill himself, or at least to try.

That day, a spokesman for the FBI told KTNV, "At this time, there is no evidence that the assault on Mr. Amesbury was related to the federal investigation into local homeowners associations. However, if we do uncover evidence that Mr. Amesbury was targeted because he was a federal witness, we will aggressively seek to charge the perpetrators to the maximum extent of federal law." Following an investigation, federal authorities did not change their official position.

Another Key Figure

Amesbury's death comes on the heels of the apparent suicide of 51-year-old Nancy Quon (pictured above), a construction-defect lawyer found dead on March 20 in the bathtub of her condominium in Henderson (the same town in which Amesbury was discovered after his assault). As in Amesbury's death, Quon's body was found by a family member. "Suicide will be one of the considerations along with accidental and medical, but at this time there is no evidence of foul play," a police spokesman told KTNV.

Quon too was a target of federal investigators for her role in the HOA plot, though she hadn't yet been indicted. As reported by John L. Smith in the *Las Vegas Review-Journal*, "Authorities believe she was a key figure" in the conspiracy "to generate millions of dollars from construction defect lawsuits and repairs."

Smith conducted an interview with Quon in December 2010, after a possible suicide attempt involving a fire at her home on Oct. 28, 2010, which nearly killed her. A separate legal imbroglio resulted from this incident, which prosecutors characterized as an arson-murder-suicide scheme gone wrong, involving Quon and her boyfriend, a former police officer.

"I think, to me," Quon told Smith, "maybe that was the most disconcerting part about the newspaper stories, that they would indicate that I was somehow suicidal, or ... that I would consider taking my own life. And anyone who knows me knows that's just not my personality. I'm a fighter. My practice was taking on huge developers and insurance companies, and they just don't roll over. It's always a fight."

Quon's pride derived from her status as a self-made woman. From a working-class background she rose to become a top litigator; her introduction to the law was a job as a legal runner when she was still a teen. After time spent working as a paralegal and studying at California Western School of Law, Quon was a single mother apparently living the American dream.

She "had a reputation as a bruising construction-defect litigator," Smith recalls. "Her cases were well-prepared, her arguments professionally delivered, her judgment victories in the millions." If the FBI and the Justice Department are correct, it would seem for some reason that this wasn't enough.

Previous Plea-Deals and Deaths

Before Quon and Amesbury, there was retired Metro Lt. Christopher Van Cleef, who shot himself in September 2008 after being named in connection with the widening corruption investigation. "Van Cleef was a member of the homeowners association at Pebble Creek Village, one of seven condominium complexes around the valley named in a federal warrant," according to the *Review-Journal*. "Allegations of voter fraud have surfaced in a civil lawsuit at Pebble Creek Village," where "Van Cleef and two others named in the warrant were elected to the board

in May." Jeremy Doering, a former president of the board, said that he and other residents had recalled the three, suspecting the use of duplicate ballots to elect them, but that they had refused to resign.

"Doering and other residents of the complex have said that although the development does not have any serious defects, Van Cleef and the other two board members had talked of filing a construction-defect lawsuit," the *Review-Journal* reports. Van Cleef mentioned in particular that he thought it would be a good idea to have Nancy Quon "look into any defects."

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The conspiracy's first casualty was Robbie Castro, a former HOA board member in Visitana, Nev., who died from a drug overdose in 2010. KLAS-TV in Las Vegas called it "[an apparent suicide](#)."

According to *The Associated Press*, 10 people have accepted plea deals in the case since August, including a southern Nevada political consultant and several homeowner association agents -- and, of course, David Amesbury. More indictments are expected. "Prosecutors plan to name up to 20 new defendants soon," [the Daily Mail](#) reports, citing federal documents.

Meanwhile, those tied to the investigation are becoming increasingly tense. A defense lawyer involved in plea negotiations [told the Review-Journal](#), "Some of the witnesses are extremely concerned about their well-being and safety. People are dying here."

"All of these deaths are just too much of a coincidence," said one former Vistana board member, who served alongside the late Robbie Castro and helped bring to light the association's corruption. "None of them make sense to any of us."

"This investigation is very peculiar," Amesbury's attorney explained, "because it has gone on for an extremely long time. It has periods of dormancy, and it's been marked with some confusion." Cremen blamed the massive plot -- rigged HOA elections, fake construction defect lawsuits, kickbacks like the one that enticed his client -- on a trend that began two decades ago, when Southern California developers expanded north to Las Vegas. "We never had an issue with [construction-defect lawsuits] until the big boom 20 years ago, when all the Southern California contractors moved up to Vegas. And when the builders moved up here the lawyers followed them, like ants following a meal."