

## **“What Happens in Vegas Stays in Vegas”**

Apparently the favorite Chamber of Commerce adage for Las Vegas tourists is no longer true since the FBI came to town to investigate the infiltration of organized crime into homeowner associations (HOAs). The FBI is interested in Las Vegas because many HOAs have experienced an extreme form of bullying—allegedly organized by the mob.

In one Las Vegas homeowner association FBI fraud case involving 11 HOA developments, more than two dozen people have struck plea agreements in the far-reaching organized-crime scheme to take control of homeowners associations.

Justice Department lawyers said in their court papers: “The conspirators gained control of the HOA boards by using straw buyers to purchase condominiums in the targeted complexes or by transferring condominiums or some percentage of ownership in the condos to designated co-conspirators in exchange for down payments, monthly mortgage payments, and monthly condo association-fee payments made by the criminal enterprise.” The straw buyers would run for the HOA boards and get elected through illegal campaign tactics that included stuffing ballot boxes, the prosecutors wrote.

According to the FBI, the shift in the control of the Vistana condo community apparently began in 2005, when three newly “elected” board members fired the existing condo attorneys and replaced them with a firm headed by criminal lawyer John Spilotro.

In the 1970s, Spilotro’s famous uncle, Anthony (The Ant) Spilotro, moved to Las Vegas from Chicago allegedly to help run various mob-related businesses, including the Stardust Resort and Casino. In 1986, police found Anthony Spilotro’s body several feet under an Indiana cornfield. In the 1995 Martin Scorsese-directed movie “Casino,” Joe Pesci plays a character based on Spilotro.

The FBI has not accused John Spilotro of any wrongdoing. However, in late 2011, Bloomberg Businessweek reported that a newly elected Vistana condo board met with their new lawyer, Richard Haskin, who was working on an amended civil Racketeer Influenced and Corrupt Organizations Act (RICO) complaint that seeks more than \$8 million in damages. This new complaint added Nancy Quon, a former Vistana condo attorney, as a defendant. Because Spilotro’s firm had hired her to do legal work for the Vistana board, Quon was a person of interest—but not for long, because she soon was found dead.

It may sound like a page from Scorsese's Casino movie script, but four public figures—including a police lieutenant and two prominent lawyers—have “committed suicide” or died of mysterious causes since the FBI launched the probe into HOA fraud in Las Vegas. They include Las Vegas attorney David Amesbury, 57, who was found dead March 25, 2012. He was found hanged by the neck in an outbuilding on his brother's ranch. Condo attorney Quon, 51, was found dead in her bathtub on March 20, 2012. Former Las Vegas Police Lt. Christopher Van Cleef shot himself to death a few days after a September 2008 FBI raid in the investigation. And a former Vistana homeowner's association board member, identified as Robbi Castro, died in 2010 of a reported drug overdose.

Prior to his untimely death, Amesbury had been found in the street severely beaten, shirtless, and with his pants down to his ankles. According to a Las Vegas Review Journal source, “He was really beaten to a pulp. He had two broken ribs, and both his kneecaps were shattered. He also had a variety of facial injuries.”[1] A month before the beating, Amesbury had entered a felony guilty plea and had struck a deal with federal prosecutors to cooperate in their HOA investigations.

The Las Vegas Review Journal further noted that Van Cleef and former Metro Police Captain Frank Sutton purchased condominiums in developments whose homeowners associations are now under investigation for possible public corruption.

According to an October 2007 deposition, Sutton stated High Noon, Pebble Creek, and Mission Ridge are developments in which he and Van Cleef had an ownership in common. The name of Sutton, who worked as a Las Vegas policeman for 25 years before retiring from the vice/narcotics unit, has also been mentioned in connection with the investigation.

*“This is no news to the homeowners. The same HOA corruption is happening here at my condo. The corruption voting scandal, money laundering, extortion, and even break-ins. We have tried to vote certain people out and the board puts them back in. We have tried everything—writing the governor, our representatives, and senators. Getting an attorney, that became too costly. Talking to the mayor, writing the White House. Nothing! The homeowners need to be reimbursed for their loss.”—Las Vegas condo owner [2]*

[1]. Jeff German, “Attorney in Homeowners Association Probe Found Dead,” Las Vegas Review Journal, May 24, 2012.

[2]. <http://www.8newsnow.com/story/16665003/i-team-hoa-investigation-heating-up>.

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