

VIRGINIA:

BEFORE THE SEVENTH DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR

IN THE MATTER OF
KEITH HAMNER WALDROP

VS B Docket No. 24-070-130892

SUBCOMMITTEE DETERMINATION
(PUBLIC REPRIMAND WITHOUT TERMS)

On October 15, 2024, a meeting in this matter was held before a duly convened Seventh District Subcommittee consisting of Ryan D. Ruzic, Chair; Dillina Stickley, Member; and Michael Blumberg, Lay Member. During the meeting, the Subcommittee voted to approve an agreed disposition of a Public Reprimand without Terms pursuant to Part Six, Section IV, Paragraph 13-15.B.4 of the Rules of the Supreme Court of Virginia. The agreed disposition was entered into by the Virginia State Bar, by Tenley Carroll Seli, Assistant Bar Counsel, and Keith Hamner Waldrop, Respondent, *pro se*.

WHEREFORE, the Seventh District Subcommittee of the Virginia State Bar hereby serves upon Respondent the following Public Reprimand without Terms:

I. FINDINGS OF FACT

1. Keith Hamner Waldrop (“Respondent”) was licensed to practice law in the Commonwealth of Virginia on April 28, 1982.
2. Complainant Beverly Gonzales (“Gonzales”) and her ten siblings (collectively “Heirs”) inherited an undeveloped 21.342-acre property located in Goochland County, Virginia (“Goochland Property”) following the December 12, 2021 death of their mother, Edna Fowler. On April 21, 2022, a Calvert County, Maryland Court appointed Gonzales as a personal representative of the estate.¹ The Heirs placed the Goochland Property for sale. On February 23, 2022, Habitat for Humanity offered to purchase the Goochland Property for \$175,000 with the intent to develop the property.

¹ Mrs. Fowler died intestate in Maryland.

3. Also on February 23, 2022, Gonzales, who was a realtor, signed a Central Virginia Regional MLS Purchase Agreement for Unimproved Property (“Purchase Agreement”) on behalf of the Heirs. Paragraph 18(c) of the Purchase Agreement, titled “Land Use Assessment,” stated:

In the event the Property is taxed under land use assessment and this sale results in disqualification from land use eligibility, Seller shall pay any roll[-]back taxes assessed. If the Property continues to be eligible for land use assessment, Purchaser agrees to make application at Purchaser’s expenses for continuation under land use, and to pay any roll[-]back taxes resulting from failure to file or qualify. Notwithstanding anything herein to the contrary, the provisions of this Paragraph C shall survive settlement and the delivery of the deed.

4. On March 30, 2022, Gonzales hired Respondent to obtain clear title for the Heirs and to conduct the closing for the sale of the Goochland Property. E. Sean Tluchak represented Habitat for Humanity.
5. On May 9 and 10, 2022, Respondent sent letters to the Heirs about the sale of the Goochland Property. Respondent provided each heir with his/her estimated 1/11th share of the sale proceeds. Respondent also included a deed, a 1099 reporting form and a power of attorney in the letters. The powers of attorney permitted Respondent to “execute any and all documents relating to the sale” of the Goochland Property on behalf of the Heirs. The Heirs all signed the deed and power of attorney.
6. On May 10, 2022, Respondent sent Gonzales a document titled Estimate of Seller’s Closing Costs/Proceeds that included a brokerage fee of \$14,000, deed preparation and attorney’s fees of \$3,500, a grantor’s tax of \$175 and unpaid assessments/taxes for “Land use – Roll[-]back taxes” in the amount of \$3,700.
7. On July 11, 2022, Respondent sent an email to Tluchak to inquire whether Habitat for Humanity “intended to keep the property in land use[.]” On July 12, 2022, Respondent spoke with the Goochland County Assessor’s Office. Neither the Goochland County Assessor’s Office nor the County Attorney knew whether roll-back taxes would be owed because of Habitat for Humanity’s tax-exempt status. Respondent sent Tluchak an email that stated “[t]his will confirm my agreement that you [will] hold the sum of \$4,000.00 of the seller’s proceeds in trust until we can resolve this issue.”
8. On July 13, 2022, Tluchak and Respondent closed on the sale of the Goochland Property. The Settlement Statement reflected that \$4,000 was deducted from the Heirs’ proceeds and held in escrow for the payment of roll-back taxes. Respondent sent Gonzales and Don Fowler, also an heir, an email that attached the Settlement Statement. Respondent further stated “[y]our attention is directed to line 1305 on the second page which shows roll[-]back taxes in the amount of \$4,000.00 are being held in escrow by the buyer’s lawyer.”

9. On July 18, 2022, Respondent issued payments to the Heirs for their respective shares of the proceeds from the sale of the Goochland Property.
10. On August 16, 2022, the Goochland County Assessor's Office sent a roll-back tax statement to Habitat for Humanity in the amount of \$3,698.85.
11. On October 6, 2022, Tluchak's firm issued two checks: a check in the amount of \$3,721.66 to the Goochland County Treasurer for payment of roll-back taxes and a check to Keith Waldrop & Associates in the amount of \$278.34 for the balance of the funds held in escrow.
12. On November 3, 2022, Respondent deposited the check for \$278.34 into his trust account.
13. For more than ten months, Respondent took no action on the matter. Respondent did not notify the Heirs of receipt of the refund from Tluchak nor did he refund the Heirs for their share of the \$278.34.
14. On September 27, 2023, Respondent sent a letter to the Heirs about the roll-back tax assessment, the funds paid for roll-back taxes and the refund of \$278.34. Respondent disbursed the funds to the Heirs "in accordance with [their] respective shares in the real estate."
15. On September 29, 2023, Gonzales sent Respondent an email to "clear up who pays Roll[-]Back Taxes[.]" On October 3, 2023, Respondent sent a letter to Gonzales that explained that the Heirs were responsible for the roll-back taxes. Respondent also withdrew from any further representation of Gonzales or the Heirs based on Gonzales's "apparent lack of confidence" in his representation of the Heirs. Gonzales acknowledged that Respondent withdrew as counsel.
16. In October 2023, Gonzales repeatedly called Tluchak and demanded that Habitat for Humanity reimburse the Heirs for their payment of the roll-back taxes. Gonzales insisted that Habitat for Humanity rather than the Heirs was responsible for payment of the roll-back taxes.
17. On December 4, 2023, Tluchak informed Respondent by email that Habitat for Humanity "would ... reimburse the estate for 1/2 of what was paid to the County. This is because they are a charitable foundation and not because they feel they have any legal obligation to do so. Are you able to pass this along?"
18. Respondent did not notify the Heirs of Habitat for Humanity's settlement offer. Respondent did not advise Tluchak that he no longer represented Gonzales or the Heirs nor did he advise Tluchak that he would not forward the settlement offer to Gonzales or the Heirs.

II. NATURE OF MISCONDUCT

Such conduct by Respondent constitutes misconduct in violation of the following provisions of the Virginia Rules of Professional Conduct:

By failing to notify the Heirs of the receipt of the reimbursed funds from Tluchak and failing to promptly disburse such funds to the Heirs, Respondent violated Rule 1.15(b)(1) and (4).

Rule 1.15 Safekeeping Property

* * *

(b) Specific Duties. A lawyer shall:

(1) Promptly notify a client of the receipt of the client’s funds, securities, or other properties;

* * *

(4) promptly pay or deliver to the client or another as required by such person the funds, securities, or other properties in the possession of the lawyer that such person is entitled to receive[.]

For failing to advise the Heirs of Tluchak’s settlement offer and failing to notify Tluchak that he no longer represented the Heirs and would not provide the settlement offer to them, Respondent violated 1.16(d).

Rule 1.16 Declining or Terminating Representation

* * *

(d) Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client’s interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, refunding any advance payment of fee that has not been earned and handling records as indicated in paragraph (e).

III. PUBLIC REPRIMAND WITHOUT TERMS

Accordingly, it is the decision of the Subcommittee to impose a Public Reprimand without Terms, and Keith Hamner Waldrop is so reprimanded. Pursuant to Part 6, § IV, ¶ 13-9.E of the Rules of the Supreme Court of Virginia, the Clerk of the Disciplinary System shall assess costs.

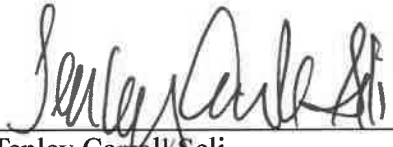
SEVENTH DISTRICT SUBCOMMITTEE
OF THE VIRGINIA STATE BAR

A handwritten signature in black ink, appearing to read 'R. Ruzic', written over a horizontal line.

Ryan D. Ruzic
Subcommittee Chair

CERTIFICATE OF SERVICE

I hereby certify that on October 30, 2024, a true and complete copy of the foregoing Subcommittee Determination was sent to Keith Hamner Waldrop, Respondent, by certified mail at Keith H. Waldrop & Associates, P.O. Box 268, Goochland, Virginia 23063-0268, Respondent's last address of record with the Virginia State Bar, and by email to waldroplaw1@yahoo.com.



Tenley Carroll Seli
Assistant Bar Counsel

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IN THE MATTER OF
KEITH HAMNER WALDROP

VSB Docket No. 24-070-130892

AGREED DISPOSITION
PUBLIC REPRIMAND WITHOUT TERMS

Pursuant to Part 6, § IV, ¶ 13-15.B.4 of the Rules of the Supreme Court of Virginia, the Virginia State Bar, by Tenley Carroll Seli, Assistant Bar Counsel, and Keith Hamner Waldrop, Respondent, *pro se*, enter into the following agreed disposition arising out of this matter.

I. STIPULATIONS OF FACT

1. Keith Hamner Waldrop (“Respondent”) was licensed to practice law in the Commonwealth of Virginia on April 28, 1982.
2. Complainant Beverly Gonzalez (“Gonzalez”) and her ten siblings (collectively “Heirs”) inherited an undeveloped 21.342-acre property located in Goochland County, Virginia (“Goochland Property”) following the December 12, 2021 death of their mother, Edna Fowler. On April 21, 2022, a Calvert County, Maryland Court appointed Gonzalez as a personal representative of the estate.¹ The Heirs placed the Goochland Property for sale. On February 23, 2022, Habitat for Humanity offered to purchase the Goochland Property for \$175,000 with the intent to develop the property.
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(b) Specific Duties. A lawyer shall:

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By failing to notify the Heirs of the receipt of the reimbursed funds from Tluchak and failing to promptly disburse such funds to the Heirs, Respondent violated Rule 1.15(b)(1) and (4).

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(d) Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, refunding any advance payment of fee that has not been earned and handling records as indicated in paragraph (e).

For failing to advise the Heirs of Tluchak's settlement offer and failing to notify Tluchak that he no longer represented the Heirs and would not provide the settlement offer to them, Respondent violated 1.16(d).

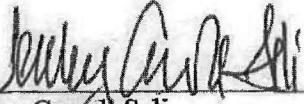
III. PROPOSED DISPOSITION

Accordingly, Assistant Bar Counsel and Respondent tender to a subcommittee of the Seventh District Committee for its approval the agreed disposition of a Public Reprimand without Terms as representing an appropriate sanction if this matter were to be heard through an evidentiary hearing by the Seventh District Committee.

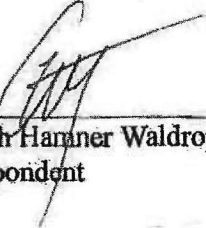
If the agreed disposition is approved, the Clerk of the Disciplinary System shall assess costs.

Pursuant to Part 6, § IV, ¶ 13-30.B of the Rules of Supreme Court of Virginia, Respondent's prior disciplinary record shall be furnished to the subcommittee considering this agreed disposition.

VIRGINIA STATE BAR



Tenley Carroll Seli
Assistant Bar Counsel



Keith Hamner Waldrop
Respondent