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BEFORE THE COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS STATE OF NEVADA

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

Petitioner,

DIANA D. STEGEMAN, (CAM.0009065),

Respondent.

Case No. 2023-450



OCT 0 5 2023

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

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FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

This matter came on for hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada (the "Commission") during a regular agenda set on a three-day stack beginning at 9:00 am on September 26, 2023 (the "Hearing."). Diana D Stegeman ("RESPONDENT") did not appear in person, through counsel, or otherwise. Christal P. Keegan, Deputy Attorney General with the Nevada Attorney General's Office, appeared on behalf of the Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division").

Mrs. Keegan informed the Commission that RESPONDENT was noticed no later than 30 days prior to the hearings, that the RESPONDENT never filed an Answer as part of the record in the proceedings and did not ask for a continuance.

Therefore, the Division proceeded with a default pursuant to NAC 116A.590. The Division's Commission Coordinator, Maria Gallo, testified regarding proper notice to the RESPONDENT. The Commission found appropriate service of the notice of the hearing, the complaint and notice thereof, the notice of documents, and all other efforts taken to inform the RESPONDENT of the matter before the Commission.

Therefore, the Commission, having considered the evidence introduced by the Division and being fully advised, enters the following Findings of Fact, Conclusions of 3 4

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Law, and Order by default. Under Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) Chapter 116A, the Commission has legal jurisdiction and authority over this matter.

FINDINGS OF FACT

Based on a preponderance of the evidence in the record and the documents admitted at the Hearing, the Commission voted, with one abstention, to find the following factual allegations were proven:

- 1. On or about June 7, 2023, the Division received a complaint against the RESPONDENT from Griswold Real Estate Management. CICC001-CICC028.
- Effective May 1, 2023, Griswold Real Estate Management ("Succeeding 2. Management Company") had been retained by Bradford Place Community Association ("Association") to take over management services from the RESPONDENT'S company, Heritage Management Group LLC. CICC001-CICC028.
- 3. Prior to the transfer, on or about April 13, 2023, the Succeeding Management Company requested RESPONDENT provide the Association's records by no later than May 15, 2023. CICC005-CICC006.
- As of May 18, 2023, the Succeeding Management Company only received a few documents from the RESPONDENT'S Office Manager. CICC015, and CICC027.
- 5. Therefore, on or about June 20, 2023, the Division sent its First Request for Information to the RESPONDENT with a deadline of July 5, 2023. CICC031-CICC033.
- 6. Hearing none, on or about July 6, 2023, the Division sent its Second Request for Information to the RESPONDENT with a deadline of July 20, 2023. CICC034-CICC036.
- 7. On or about July 28, 2023, the Succeeding Manager provided the Division with an inventory log demonstrating the outstanding documents from the RESPONDENT to-date:
 - Association Federal Tax ID number and 2022 tax return: a.
 - Adopted and ratified 2023 budget; b.

1		c.	March / April 2023 financials;
2		d.	Current year financials (2023);
3		e.	Last completed audit or review;
4		f.	Homeowner balances / ledger;
5		g.	Year to date general ledger report;
6		h.	Schedule of all prepaid expenses, accrued expenses, and automated
7			clearing house (ACH) files;
8		i.	Last board and executive minutes;
9		j.	List of all homeowners with liens and collections;
lo		k.	All homeowner files;
11		1.	All association files including community association manager files;
12		m.	All meeting minutes; and the
13		n.	Full list of utility bills and account numbers.
14	CICC029-CICC030.		
15	8.	Asa	result of RESPONDENT'S inadequate responsiveness to the Division
16	and the Succeeding Management Company, now comes herewith.		
17			CONCLUSIONS OF LAW
18	Based on the foregoing factual findings and the preponderance of the evidence, the		
19	Commission	voted,	with one abstention, that the following violations of law occurred:
20	9.	RESP	ONDENT violated NRS 116A.620(6) for failing to transfer all books,
21	records, and other papers of the Association to the Succeeding Management Company		
22	within 30 days after termination.		
23	10.	RESP	CONDENT violated NRS 116A.630(1)(b) for failing to exercise ordinary
24	and reasonal	ble car	re in the performance of her duties by not transferring the Association
25	record's timely or completely to the Succeeding Management Company.		
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- 11. RESPONDENT violated NRS 116A.630(2)(a) by failing to comply with state laws and regulations when she failed to provide the Division and/or the Succeeding Management Company with the requested documents.
- 12. RESPONDENT violated NRS 116A.630(9) by failing to make the financial records of the Association available for inspection by the Division.
- 13. RESPONDENT violated NRS 116A.630(10) when she failed to cooperate with the Division in resolving the complaint filed against her.
- 14. RESPONDENT violated NRS 116A.640(2)(a) for impeding the Division's investigation by failing to comply with requests to provide documents.
- 15. RESPONDENT violated NAC 116A.345(1)(a) for failing to comply with the Division's requests to provide documents.
- 16. RESPONDENT violated NAC 116A.355(2)(f) when she failed to cooperate with the Division's requests for a response and production of documents.
- 17. RESPONDENT violated NAC 116A.355(1)(a)(1)-(3), by committing unprofessional conduct and acts of professional incompetence and negligence, as required therein under sections (2)(f), (3) and (4)(g).

ORDER

The Commission, being fully apprised in the premises and good cause appearing, ORDERS as follows:

- 1. RESPONDENT'S certificate (CAM.0009065) is immediately revoked;
- 2. RESPONDENT shall pay a fine of \$2,500 per violation (9 violations) for a total administrative fine amount of \$22,500;
- 3. RESPONDENT shall pay for the costs of the investigation and the hearing in the amount of \$2,039.12 which is actual, reasonable, and necessary;
- 4. The total amount due is \$24,539.12 and shall be paid in full within 90 days of this Order;
- 5. If payment is not actually received by the Division on or before its due date, it shall be a default by RESPONDENT. In the event of default, the unpaid balance of the

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1	administrative fine and costs, together with any attorney's fees and costs that may have			
2	been assessed, shall be due in full to the Division within ten (10) calendar days of the date			
3	of default, and the Division may obtain a judgment for the amount owed, including			
4	collection fees and costs.			
5	6. The Commission retains jurisdiction for correcting any errors that may have			
6	occurred in the drafting and issuance of this document.			
7	DATED this _5 day of October, 2023.			
8	COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTEL DEPARTMENT OF BUSINESS AND INDUSTRY STATE OF NEVADA By: CHARLES NIGGEMEYER VICE CHAIRMAN			
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14	Submitted by:			
15	AARON D. FORD Attorney General			
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18	By:			
19	CHRISTAL P. KEEGAN (Bar No. 12725) Deputy Attorney General 5420 Kietzke Lane, Suite 202 Reno, Nevada 89511 (775) 687-2141 ckeegan@ag.nv.gov			
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22	Attorney for Real Estate Division			
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