

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

3 SHARATH CHANDRA, Administrator,
4 REAL ESTATE DIVISION, DEPARTMENT
5 OF BUSINESS & INDUSTRY, STATE OF
6 NEVADA,

6 Petitioner,

7 vs.

8 DIANA D. STEGEMAN,
9 (CAM.0009065)

9 Respondent.

Case No. 2022-756

FILED

MAY 02 2023

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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11 **COMPLAINT FOR DISCIPLINARY**
12 **ACTION AND NOTICE OF HEARING**

13 The Real Estate Division of the Department of Business and Industry, State of
14 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of
15 the State of Nevada, and Christal P. Keegan, Deputy Attorney General, hereby notifies
16 DIANA D. STEGEMAN ("RESPONDENT") of an administrative hearing before the
17 Commission for Common-Interest Communities and Condominium Hotels, State of
18 Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of
19 the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada
20 Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations
21 stated below and to determine if an administrative penalty will be imposed on the
22 RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to
23 NAC 116A.360.

24 **JURISDICTION AND NOTICE**

25 During all relevant times mentioned in this complaint, RESPONDENT held a
26 community manager certificate from the Division (CAM.0009065) and is, therefore,
27 subject to the jurisdiction of the Division and the provisions of NRS Chapters 116 and
28 116A and NAC Chapters 116 and 116A. RESPONDENT'S certificate is currently in

1 “active” status.

2 **FACTUAL ALLEGATIONS**

3 1. As relevant to this Complaint, RESPONDENT held an active community
4 manager certificate from the Division (CAM.0009065) until September 30, 2022.
5 *CICC072.*

6 2. Starting October 1, 2022, RESPONDENT’S company Heritage Management
7 Group, LLC.’s contract would terminate with The Gables Condominium Owners
8 Association, Inc. (“Association”) and transfer to the new management company, Prime
9 Management, LLC (“Succeeding Management Company”). *CICC024 - CICC025, and*
10 *CICC062.*

11 3. Prior to the transfer, on or about September 15, 2022, the Succeeding
12 Management Company requested RESPONDENT provide the Association’s records no
13 later than October 1, 2022. *CICC024 - CICC025.*

14 4. On or about October 10, 2022, counsel for the Succeeding Management
15 Company sent a final demand letter to RESPONDENT requesting the Association’s
16 records. *CICC021 – CICC022.*

17 5. As of October 19, 2022, RESPONDENT had not provided the Association’s
18 records to the Succeeding Management Company. *CICC043 – CICC047.*

19 6. On October 31, 2022, the Division received an Intervention Affidavit against
20 RESPONDENT by the Succeeding Management Company. *CICC001-CICC020.*

21 7. The Intervention Affidavit alleged RESPONDENT failed to turn over the
22 entirety of the Association’s records within the 30 days as set forth in NRS 116A.620(6).
23 *CICC003.*

24 8. On or about November 16, 2022, the Division sent its first Request for
25 Information to the RESPONDENT with a deadline of December 2, 2022. *CICC029-*
26 *CICC034.*

27 9. On the deadline date, RESPONDENT acknowledged receipt of the letter but
28 did not provide a response to the Request for Information. *CICC035-CICC036.*

- 1 (g) Require the community manager to pay the costs of the investigation and
hearing;
- 2 (h) Require the community manager to obtain additional education relating to
3 the management of common-interest communities; and
- 4 (i) Take such other disciplinary action as the Commission deems appropriate.

5 The Commission may order one or any combination of the discipline described
6 above.

7 **NOTICE OF HEARING**

8 **PLEASE TAKE NOTICE** that a disciplinary hearing has been set to consider this
9 Administrative Complaint against the above-named RESPONDENT in accordance with
10 Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapter 116 and
11 116A of the Nevada Administrative Code.

12 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
13 for June 13 – June 15, 2023, beginning at approximately 9:00 a.m. each day, or until such
14 time as the Commission concludes its business. The Commission meeting will be held at
15 the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room,
16 Las Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,
17 Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

18 **STACKED CALENDAR: Your hearing is one of several hearings that may**
19 **be scheduled at the same time as part of a regular meeting of the Commission**
20 **that is expected to take place on June 13 – June 15, 2023. Thus, your hearing**
21 **may be continued until later in the day or from day to day. It is your**
22 **responsibility to be present when your case is called. If you are not present**
23 **when your hearing is called, a default may be entered against you and the**
24 **Commission may decide the case as if all allegations in the complaint were true.**
25 **If you need to negotiate a more specific time for your hearing in advance**
26 **because of coordination with an out of state witness or the like, please call**
27 **Maria Gallo, Commission Coordinator, at (702) 486-4074.**

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1 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is
2 an open meeting under Nevada’s open meeting law and may be attended by the public.
3 After the evidence and arguments, the commission may conduct a closed meeting to
4 discuss your alleged misconduct or professional competence. You are entitled to a copy of
5 the transcript of the open and closed portions of the meeting, although you must pay for
6 the transcription. As a RESPONDENT, you are specifically informed that you have the
7 right to appear and be heard in your defense, either personally or through your counsel
8 of choice. At the hearing, the Division has the burden of proving the allegations in the
9 complaint and will call witnesses and present evidence against you. You have the right
10 to respond and to present relevant evidence and argument on all issues involved. You
11 have the right to call and examine witnesses, introduce exhibits, and cross-examine
12 opposing witnesses on any matter relevant to the issues involved.

13 You have the right to request that the Commission issue subpoenas to compel
14 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
15 you may be required to demonstrate the relevance of the witness’s testimony and/or
16 evidence. Other important rights and obligations, including your obligation to answer
17 the complaint, you have are listed in NAC 116A.560 through NAC 116A.655, NRS
18 Chapter 233B, and NRS Chapters 116 and 116A and NAC 116 and 116A.

19 Note that under NAC 116A.585, not less than five (5) working days before a
20 hearing, RESPONDENT must provide to the Division a copy of all reasonably available
21 documents that are reasonably anticipated to be used to support his or her position, and
22 a list of witnesses RESPONDENT intends to call at the time of the hearing. Failure to
23 provide any document or to list a witness may result in the document or witness being
24 excluded from RESPONDENT’S defense. The purpose of the hearing is to determine if
25 the RESPONDENT has violated any of the provisions of NRS and NAC Chapters 116 and

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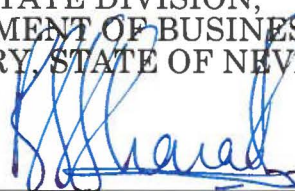
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1 116A, and to determine what administrative penalty is to be assessed against
2 RESPONDENT, if any, pursuant to NAC 116A.360.

3 DATED this 1 day of May, 2023.

REAL ESTATE DIVISION,
DEPARTMENT OF BUSINESS &
INDUSTRY, STATE OF NEVADA

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5
6 By: 
SHARATH CHANDRA, Administrator
3300 W. Sahara Ave. Ste 350
Las Vegas, Nevada 89102
7 (702) 486-4033
8
9

10 DATED this 1st day of May, 2023.

AARON D. FORD
Attorney General

11
12 By: 
13 CHRISTAL P. KEEGAN
14 Deputy Attorney General
15 Nevada State Bar No. 12725
16 5420 Kietzke Lane, Suite 202
17 Reno, Nevada 89511
18 (775) 687-2141
19 ckeegan@ag.nv.gov

Attorney for Real Estate Division