

APPRAISAL **REPORT**

A Newsletter for Nevada Appraisers

<http://red.nv.gov/>



DID YOU KNOW YOU CAN RENEW YOUR APPRAISER LICENSE ONLINE?

Renewing your license has never been easier, with online renewals now available for all appraiser licenses.

To renew online, you'll first need to establish your My Account on the Division's website. If you haven't logged in before, your user ID is your license number without the leading zeros and suffix (e.g. license number A.00123-CG would become user ID A.123), and your password is the last four digits of your social security number. If you're logging in for the first time, you'll be prompted to set up security questions.

Once you've logged in

and set up your security questions, you will be able to click the "Start/Continue Renewal" link on the left-hand side of the page to begin the renewal process. If you don't see your credential listed, your license is most likely more than 45 days from its expiration date.

Once you initiate the process, you will be prompted to answer a series of questions regarding residency, license status, education (including CE certificate upload), child support and criminal history. After you've answered each of the questions, you'll click "Add to Invoice." At

this time you'll be able to see the total amount due as well as a breakdown of fees. (Please note there is a convenience fee for all credit card transactions.)

If you have an additional license, permit or certificate in need of renewal, you'll return to the "Start/Continue Renewal" page. If not, you'll select "Pay Invoice," enter your credit card details, and voila: your license is renewed!

Should you have any issue with renewing online, you can contact the Division for assistance at (702) 486-4033 or realest@red.nv.gov.

A warm welcome to Commissioner Larry M. Gandy



Larry “Michael” Gandy is a Certified Real Estate Appraiser, born and raised in Las Vegas, Nevada. He has been active in the real estate appraisal sector for over 30 years, originally under the mentorship of his father, Larry Michael Gandy Sr. He follows in the footsteps of his grandmother, Nancy Gandy, who was a pioneer for women real estate agents.

Michael is the current owner of Las Vegas Analytics, Inc., a real estate appraisal and consulting firm located in Henderson, Nevada, focused solely on residential real estate for all types of clients including lenders, the Department of Veteran Affairs, financial planners, private parties, and the legal community.

In addition to a certified

appraiser, Michael is a founding member of GandySoft, a software company which launched its flagship product, PAIRS™, in 2014. PAIRS™ is a statistical, web-based platform that instantly analyzes real estate data to provide market trends and information.

Always striving to learn more and be a better appraiser, Michael is continually involved with the appraisal community through conferences, webinars, digital and social media, staying active and up to date with the current topics of the valuation community. Michael is a solutions-oriented person with heavy interests in technology's current and potential contributions to the valuation of real estate.

NEW HIRE TO THE APPRAISAL SECTION: MEET COMPLIANCE/ AUDIT INVESTIGATOR JAMES B. SILVA

In February 2020, the Real Estate Division welcomed James B. Silva as the new Appraisal Compliance/Audit Investigator. James has led a long career in service that makes him a perfect fit for the Division, and we are thrilled to have him aboard.

Prior to joining the Division, James led a career in service that began when he joined the Marine Corps at 19. As a Marine, James was deployed five times and spent 12 years as a jet mechanic on the Harrier.

After leaving the Marines in 1999, James moved to Nevada where he spent three years in law enforcement before joining the Nevada Army National Guard. There, he was assigned to the MEDEVAC Detachment as a crew chief on the Black Hawk Helicopter. After his first deployment to Afghanistan in 2008-2009 and eight years in law enforcement, James accepted a full-time job with the National Guard as a helicopter mechanic. After two combat deployments,

29 years of military service and 22 years serving the federal government, James retired from the military and federal employment.

Since joining the Appraisal team in February, he has been diligently working on a backlog of cases including 22 cases pending hearing with the Commission of Appraisers of Real Estate and 12 cases pending review by the Appraisal Advisory Review Committee.

FROM THE STANDARD 3 REVIEWER'S DESK

ONE OF THE MOST
COMMON ERRORS
FOUND IN STANDARD 3
REVIEWS FOR THE STATE
OF NEVADA.



LACK OF CREDIBLE MARKET ANALYSIS

STANDARD RULE 1-3 (A) “When necessary for credible assignment results in developing a market value opinion, an appraiser must identify and analyze... economic supply and demand... and market area trends. Comment: an appraiser must avoid making an unsupported assumption or premise about market area trends...”

STANDARD RULE 2-2 (A) (iii) “The content of an Appraisal Report must... summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions.” (Note that “Comments” in USPAP carry the same weight as the component they describe.)

THE CURE

There are cases where USPAP is particularly specific, and this is one of those cases, citing specific items for analysis: the appraiser must analyze and communicate the supply, demand and market area trends relevant to the assignment. Additionally, the appraiser must not make an unsupported assumption or premise regarding that trend.

1. Ensure you have actual data and analysis that support a good understanding of the inventory and trends in the market (including any seasonal influences); and conduct several market studies when necessary. Again, retain a copy in the work file.
2. Summarize your analysis in your report, so a user understands your market conclusions.
3. Include information that is appropriate and relevant, using text areas for overflow or for cases where there is no related field for the specific data.

FROM THE DESK OF THE APPRAISAL MANAGER



Intern Logs must be completed on the form provided by the Real Estate Division (Form 537A). The form can be found on the Real Estate Division website under Forms > Appraisal. Intern logs completed on any other form will be returned, and you will be asked to resubmit using the correct form.



Interns must be careful when submitting hours for appraisal assistance. Most appraisal assistance will not take 18-37 hours, so please ensure that you accurately record the time you spent assisting. All intern logs are reviewed by the Appraisal Program to verify that the hours reported are correct, the log contains all required information, and education is complete. If necessary, the Appraisal Program Manager will also reach out to the intern or supervisory appraiser with questions, or submit appraisals for USPAP review.



Updated forms have been added to the website for the registration and renewal of Appraisal Management Companies (AMCs). The new forms now include the information required to include AMCs on the National Registry, as well as a cheat sheet to assist with fee calculations.

DISCIPLINE CASES FROM THE APPRAISAL ADVISORY REVIEW COMMITTEE

Note: The following is a summary of recent disciplinary actions imposed by the Nevada Commission of Appraisers of Real Estate. This is only a summary of the written decisions of the Commission. For brevity, some of the facts and conclusions may have been edited out. Because these are summaries only, and because each case is unique, and fact specific, these summaries should not be relied on as precedent as to how similar cases may be handled



AS OF AUGUST 2020, THERE ARE 12 CASES PENDING AARC FOR 2020.

FIRST CASE

An anonymous complaint was filed with the Real Estate Division on 09/27/2018. The complaint alleges that the report does not mention upgrades to the subject property, or its previous purchase price.

VIOLATIONS

Record Keeping Rule	Standard Rule 1-4 (b)(iii)
Standard Rule 1-1 (a)	Standard Rule 1-5 (b)
Standard Rule 1-1 (b)	Standard Rule 1-6 (a)
Standard Rule 3-1 (b)	Standard Rule 1-6 (b)
Standard Rule 1-4 (a)	Standard Rule 2-2 (a)(viii)
Standard Rule 1-4 (b)(i)	Standard Rule 2-2 (a)(x)

DISCIPLINE

Cost Approach: 7 HRS
Residential Adjustments: 3 HRS
Residential Report Writing: 7 HRS
Highest and Best Use: 7 HRS

SECOND CASE

According to the complaint, the respondent was retained to complete an appraisal for estate settlement. The complaint alleges that the report was late, with little communication from the respondent, and that the respondent may be biased due to his/her personal relationship with the attorney involved with the estate's disposition. The complaint states the subject was undervalued.

VIOLATIONS

Scope of Work Rule	Standard Rule 2-2 (a)(viii)
Standard Rule 3-1 (b)	Standard Rule 2-2 (a)(x)
Standard Rule 1-6 (a)	Standard Rule 2-2 (a)(xi)
Standard Rule 1-6 (b)	

DISCIPLINE

Residential Report Writing: 14 HRS
Highest and Best Use: 7 HRS
Must submit one month of appraisal logs to be reviewed for educational purposes.

THIRD CASE

The complaint alleges that the respondent ignored comparable sales located within the neighborhood, instead utilizing sales from outside the neighborhood. The complaint states the respondent, "Refused the request to re-value the home to include only comparable sales which had occurred in the prior six months."

VIOLATIONS

Record Keeping Rule
Standard Rule 2-1 (b)
Standard Rule 2-2 (a)(viii)
Standard Rule 2-2 (a)(x)

DISCIPLINE

Residential Analysis/Highest & Best Use: 15 HRS
Report Writing: 7 HRS
Work File: 3 HRS
Must submit one month of appraisal logs to be reviewed for educational purposes.

From the Desk of the Compliance Investigator

REGARDING RECORD KEEPING

USPAP Record Keeping Rule states, the work file must include:

All other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation. (Lines 269, 276-278)

If an appraiser uses paired sales analysis, the work file should contain a copy of the paired sales analysis, or at a minimum state where the information is kept. If a reviewer cannot see the work that is completed, how can they say it is credible?

NEW ONLINE:

- [New Continuing Education \(CE\) Courses](#)
- [Renewed CE Courses](#)
- [Additional Resources](#)

APPRAISAL STATISTICS AS OF AUGUST 2020

APPRAISER TYPE	COUNT
Certified General Appraisers	426
Certified Residential Appraisers	452
Residential Appraisers	73
Appraiser Interns	85
Appraisal Management Companies	155
Appraisal Management Companies (Individual)	N/A
Inters Approved since July 1, 2019	3

This is the Appraisal Section's third newsletter. It is the intent to get a newsletter out at least quarterly. If you have suggestions or recommendation for the newsletter, please feel free to contact Jaye Lindsay, Appraisal Program Manager at jvlindsay@red.nv.gov.

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator

JAYE LINDSAY
Appraisal Program Manager

JAMES SILVA
Compliance/Audit Investigator II

COMMISSION OF APPRAISERS OF REAL ESTATE

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LARRY MICHAEL GANDY, JR.
Vice President
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VACANT
Commissioner

VACANT
Commissioner