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NEVADA COMMISSION OF APPRAISERS

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BEFORE THE COMMISSION OF APPRAISERS OF REAL ESTATE

STATE OF NEVADA

JOSEPH (JD) DECKER, Administrator,  
REAL ESTATE DIVISION, DEPARTMENT  
OF BUSINESS AND INDUSTRY,  
STATE OF NEVADA,

Case Nos. AP13.034.S  
AP14.009.S

vs.

Petitioner,

ORDER APPROVING STIPULATION FOR  
SETTLEMENT OF DISCIPLINARY ACTION

RICHARD ROMANO,  
License No. A.0004351-CR

Respondent.

The parties' Stipulation for Settlement of Disciplinary Action (Stipulation) having come before the Nevada Commission of Appraisers of Real Estate (Commission), and the Commission being fully apprised in the premises, and good cause appearing to the Commission,

IT IS HEREBY ORDERED that the Stipulation for Settlement of Disciplinary Action, attached hereto as Exhibit 1 and incorporated herein, is hereby approved.

If Respondent fails to timely fulfill the terms of the Stipulation, then the Real Estate Division, Department of Business and Industry, State of Nevada (Division) may automatically rescind the Stipulation and the Order Approving Stipulation for Settlement of Disciplinary Action, and may proceed in filing a complaint before the Commission and Respondent's license will be automatically suspended.

IT IS FURTHER ORDERED that the Division may institute collection proceedings for failure to pay the fine and reimbursement.

This Order shall become effective on MARCH 9, 2015.

Dated this 4 day of FEBRUARY, 2015.

COMMISSION OF APPRAISERS OF REAL ESTATE

By:

  
COMMISSIONER

Attorney General's Office  
100 N. Carson Street  
Carson City, Nevada 89701-4717

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BEFORE THE COMMISSION OF APPRAISERS OF REAL ESTATE

STATE OF NEVADA

JOSEPH (JD) DECKER, Administrator,  
REAL ESTATE DIVISION, DEPARTMENT  
OF BUSINESS AND INDUSTRY,  
STATE OF NEVADA,

Petitioner,

vs.

RICHARD ROMANO  
License No. A.0004351-CR

Respondent.

Case Nos. AP13.034.S  
AP14.009.S

STIPULATION FOR SETTLEMENT OF  
DISCIPLINARY ACTION

This Stipulation for Settlement of Disciplinary Action (Stipulation) in the above captioned matter is to resolve all pending disciplinary actions and is entered into between the Petitioner, STATE OF NEVADA, DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, (Division), by and through its ADMINISTRATOR JOSEPH (JD) DECKER, and its counsel CATHERINE CORTEZ MASTO, Attorney General of the State of Nevada, and COLLEEN L. PLATT, Deputy Attorney General, and Respondent, RICHARD ROMANO.

JURISDICTION

Respondent RICHARD ROMANO was, at the relevant times mentioned in this Complaint, licensed as a certified residential appraiser by the Division under license number A.0004351-CR and is, therefore, subject to the jurisdiction of the Division and the provisions of NRS Chapter 645C and NAC Chapter 645C.

FACTUAL ALLEGATIONS SET FORTH IN COMPLAINT

1. Respondent completed an appraisal of a single-family residential home located at 9940 Orient Express Court, Las Vegas, Nevada 89145 (Subject Property One).

See Exhibit 1, BS pp 65-104.

2. The appraisal for subject property one had an effective date of February 16, 2013, and a signature date of February 26, 2013. The appraised value was \$5,200,000.

Attorney General's Office  
100 N. Carson Street  
Carson City, Nevada 89701-4717

1           3.     Respondent failed to properly analyze and report that the sale of the Subject  
2 Property One included extensive personal property items.

3           4.     Respondent failed to include in his work file for Subject Property One the  
4 photographic inventory of the extensive personal property that was part of the agreement  
5 of sale.

6           5.     Respondent failed to correctly analyze and report the value of the extensive  
7 personal property included in the agreement of sale for Subject Property One and how that  
8 value affected the final value conclusion.

9           6.     Respondent completed an appraisal of a single family residential home located  
10 at 4735 North Grand Canyon Drive, Las Vegas, Nevada 89129 (Subject Property Two).  
11 See Exhibit 2, BS 108-142.

12           7.     The appraisal for Subject Property Two had an effective date of  
13 September 2, 2013, and a signature date of September 13, 2013. The appraised value  
14 was \$720,000.

15           8.     Respondent failed to support, and clearly explain why he extended the market  
16 area for Subject Property Two.

17           9.     Respondent failed to identify and report that Subject Property Two is located  
18 within the Rural Preservation Area of the Centennial Hills sector of Las Vegas.

19           10.    Respondent failed to properly analyze and clearly report the market area of  
20 Subject Property Two.

21           11.    Respondent failed to support and clearly explain why he extended the market  
22 area for Subject Property Two.

23           12.    Respondent inaccurately reported that Subject Property Two conforms to the  
24 neighborhood that was described by Respondent.

25           13.    Respondent inappropriately reported 425 Lake Windmere as comparable  
26 sale #1, 10204 Edgecliff as comparable sale #2 and 221 Villa Borghese as comparable  
27 listing #7, all of which were not located within the neighborhood and/or market area of Subject  
28 Property Two.



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**Fourth Claim for Relief**

By completing an appraisal for subject property one that the Respondent did not have the knowledge or experience to complete competently, Respondent is in violation of the Competency Rule of USPAP. This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Fifth Claim for Relief**

By failing to properly identify the personal property items for subject property one, Respondent is in violation of USPAP Standards Rule 1-1(a) and/or (b). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Sixth Claim for Relief**

By failing to report the personal property items included in the sale of subject property one, Respondent is in violation of USPAP Standards Rule 2-1(a) and/or (b). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Seventh Claim for Relief**

By extending the market area and/or neighborhood boundaries of subject property two to include sales of properties that sold for an amount that would justify the purchase price in the sales contract for subject property two, Respondent was advocating the interest of the parties involved, which is a violation of the Ethics Rule of USPAP. This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Eighth Claim for Relief**

By conducting an opinion of value of subject property two that is the same as the purchase price in the sales contract, Respondent was advocating the interest of the parties involved, which is a violation of the Ethics Rule of USPAP. This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

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**Ninth Claim for Relief**

By failing to be aware of, understand and correctly employ recognized methods and techniques that are necessary to produce a credible appraisal, Respondent is in violation of USPAP Standards Rule 1-1(a). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Tenth Claim for Relief**

By committing substantial errors of omission and/or commission that significantly affected the appraisal, Respondent is in violation of USPAP Standards Rule 1-1(b). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Eleventh Claim for Relief**

By rendering appraisal services in a careless or negligent manner, such as by making a series of errors which individually would not significantly affect the results of an appraisal, but in the aggregate affect the credibility of those results, Respondent is in violation of USPAP Standards Rule 1-1(c). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Twelfth Claim for Relief**

By failing to properly identify the market area of subject property two and by inaccurately concluding that subject property two conforms to the neighborhood, Respondent is in violation of USPAP Standards Rule 1-3(a). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Thirteenth Claim for Relief**

By using sales that were located outside the neighborhood and/or market area of subject property two that were not comparable to the location of subject property two, Respondent is in violation of USPAP Standards Rule 1-4(a). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

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**Fourteenth Claim for Relief**

By failing to support the date/time adjustments and the location adjustments, Respondent is in violation of USPAP Standards Rule 1-4(a). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Fifteenth Claim for Relief**

By selecting sales based upon the sales price instead of the similarity to subject property two, Respondent is in violation of USPAP Standards Rule 1-4(a). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Sixteenth Claim for Relief**

By failing to clearly and accurately set forth the appraisal in a manner that is not misleading, Respondent is in violation of USPAP Standards Rule 2-1(a). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Seventeenth Claim for Relief**

By failing to include in the appraisal sufficient information to enable the intended users of the appraisal to understand the report properly, Respondent is in violation of USPAP Standards Rule 2-1(b). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

**Eighteenth Claim for Relief**

By failing to summarize the information sufficient to identify the real estate involved in the appraisal, including the physical and economic property characteristics, Respondent is in violation of USPAP Standards Rule 2-2(b)(iii). This is unprofessional conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

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1 **Nineteenth Claim for Relief**

2 By failing to summarize the information analyzed, the appraisal methods and  
3 techniques employed and the reasoning that supports the analysis, opinions and conclusions,  
4 Respondent is in violation of USPAP Standards Rule 2-2(b)(viii). This is unprofessional  
5 conduct pursuant to NRS 645C.460(1)(a), including the act found at NAC 645C.405(1).

6 **DISCIPLINE AUTHORIZED**

7 NRS 645C.460 establishes grounds for disciplinary action. NRS 645C.470(2) provides  
8 that an appraiser is guilty of unprofessional conduct if he violates any provision of  
9 NRS Chapter 645C or any regulation adopted pursuant to NRS Chapter 645C.  
10 NRS 645C.460(2) provides that if grounds for disciplinary action against an appraiser are  
11 found to exist, the Commission may revoke or suspend the license, place conditions upon the  
12 license, and/or impose a fine up to \$10,000 per violation. If the Commission finds that any  
13 claims for relief are time barred pursuant to NRS 645C.510(3), they may impose any discipline  
14 except suspension and revocation.

15 If discipline is imposed, the Commission may order that costs of this proceeding,  
16 including investigative costs and attorney's fees, be awarded to the Commission pursuant to  
17 NRS 622.400.

18 **STIPULATED SETTLEMENT**

19 1. The Division was prepared to present its case based upon the Complaints filed  
20 with the Commission and Respondent was prepared to defend against the Complaints.

21 2. The Parties desire to compromise and settle the Complaints set forth above  
22 upon the following terms and conditions:

23 3. Respondent admits each of the Factual Allegations set forth in the Complaint  
24 and included herein are true and did occur.

25 4. Respondent admits that the First, Second, Third, Fourth, Fifth, Sixth, Seventh,  
26 Ninth, Tenth, Twelfth, Thirteenth and Fifteenth Claims for Relief set forth in the Complaint and  
27 included herein did occur.

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1           5.       Respondent admits that the Eleventh, Sixteenth, Seventeenth, Eighteenth and  
2 Nineteenth Claims for Relief set forth in the Complaint and included herein did occur, as  
3 applied to the appraisal for subject property two.

4           6.       Respondent agrees to pay the Division an administrative fine in the amount of  
5 \$9,000 in twenty-four monthly payment installments of \$375.00. The first payment is due to  
6 the Division 30 days from the effective date of the Commission's Order approving this  
7 Stipulation, with the following installments to be paid on the 15<sup>th</sup> of each month. No grace  
8 period is permitted. Any installment payment not actually received by the Division on or  
9 before its due date shall be construed as an event of default by Respondent.

10          7.       Respondent shall complete not less than 15-hours in Residential Case Studies  
11 and take and pass the exam within six months from the effective date of the Order approving  
12 this Stipulation. This class will not count towards the required continuing education for  
13 Respondent's license renewal.

14          8.       Respondent shall complete a 15-hour National USPAP course and take and  
15 pass the exam within six months from the effective date of the Order approving this  
16 Stipulation. This class will not count towards the required continuing education for  
17 Respondent's license renewal.

18          9.       Respondent shall complete a 3-hour Nevada Law Course within six months from  
19 the effective date of the Order approving this Stipulation. This class will not count towards the  
20 required continuing education for Respondent's license renewal.

21          10.       If Respondent fails to pay the administrative fine within the time allowed and/or if  
22 the required courses are not completed in the time allowed, Respondent's license will be  
23 automatically suspended until the fine is paid and/or the education completed.

24          11.       In the event of a default by the Respondent, the unpaid balance of the  
25 administrative fine shall become immediately accelerated, and the unpaid balance shall be  
26 due in full to the Division within ten calendar days of the date of default. Further, debt  
27 collection actions for unpaid monetary assessments in this case may be instituted by the  
28 Division.

1           12. The Division agrees not to pursue any other or greater remedies or fines in  
2 connection with Respondent's conduct referenced herein and that all pending matters related  
3 to the Complaint are resolved.

4           13. Respondent and the Division agree that by entering into this Stipulation, the  
5 Division does not concede any defense or mitigation Respondent may assert and that once  
6 this Stipulation is approved and fully performed, the Division will close its file in this matter.

7           14. Respondent agrees and understands that if the terms and conditions of this  
8 Stipulation are not met, the Division may, at its option, rescind this Stipulation and proceed  
9 with prosecuting the Complaints before the Commission.

10          15. Respondent agrees and understands that by entering into this Stipulation,  
11 Respondent is waiving his rights to a hearing in all matters relating to the Complaints at which  
12 Respondent may present evidence in his defense, his right to a written decision on the merits  
13 of the complaints, his rights to reconsideration and/or re-hearing, appeal and/or judicial review,  
14 and all other rights which may be accorded by the Nevada Administrative Procedure Act, the  
15 Nevada Appraisers of Real Estate and Appraisal Management Companies statutes and  
16 accompanying regulations, and the federal and state constitutions. Respondent understands  
17 that this Stipulation and other documentation may be subject to public records laws. The  
18 Respondent understands and agrees that the Commission Members who review this matter  
19 for approval of this Stipulation may be the same members who ultimately hear, consider and  
20 decide the Complaints if this Stipulation is either not approved by the Commission or is not  
21 timely performed by Respondent. Respondent fully understands that he has the right to be  
22 represented by legal counsel in this matter at his own expense.

23          16. Each party shall bear its own attorneys' fees and costs.

24          17. Stipulation is Not Evidence. Neither this Stipulation nor any statements made  
25 concerning this Stipulation may be discussed or introduced into evidence at any hearing on  
26 the Complaints, if the Division must ultimately present its case based on the Complaints filed  
27 in this matter.

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1           18. Release. In consideration of execution of this Stipulation, Respondent for  
2 himself, his heirs, executors, administrators, successors, and assigns, hereby releases,  
3 remises, and forever discharges the State of Nevada, the Department of Business and  
4 Industry, and the Division, and each of their respective members, agents, employees and  
5 counsel in their individual and representative capacities, from any all manner of actions,  
6 causes of action, suits, debts, judgments, executions, claims, and demands whatsoever,  
7 known and unknown, in law or in equity, that the Respondent ever had, now has, may have,  
8 or claim to have, against any or all of the persons or entities named in this section, arising out  
9 of or by reason of the Division's investigation, this disciplinary action, and all other matters  
10 relating thereto.

11           19. Indemnification. Respondent hereby indemnifies and holds harmless the State  
12 of Nevada, the Department of Business and Industry, the Real Estate Division, and each of  
13 their respective members, agents, employees and counsel in their individual and  
14 representative capacities against any and all claims, suits, and actions brought against said  
15 persons and/or entities by reason of the Division's investigation, this disciplinary action, and all  
16 other matters relating thereto, and against any and all expenses damages, and costs,  
17 including court costs and attorneys' fees, which may be sustained by the persons and/or  
18 entities named in this section as a result of said claims, suits, and actions.

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