

Nevada Office of the Attorney General
100 North Carson Street
Carson City, NV 89701-4717

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IT IS FURTHER ORDERED that the Division may institute collection proceedings in the event the Respondent fails to timely pay the administrative fine specified in the attached Stipulation.

This Order shall become effective on NOVEMBER 10th 2016

Dated this 11 day of October, 2016.

COMMISSION OF APPRAISERS OF REAL ESTATE

By: 
COMMISSIONER

Approved as to form:

ADAM PAUL LAXALT
Attorney General

By: 
PETER K. KEEGAN
Deputy Attorney General
100 North Carson Street
Carson City, Nevada 89701
Telephone: (775) 684-1153
*Attorneys for Petitioner, Department
of Business and Industry*

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EXHIBIT 1

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1 6. The Respondent claims that in order to submit the photos he had to submit the
2 entire report through an online appraisal portal run by TSI Appraisal, Inc., the appraisal
3 management company.

4 7. The Respondent submitted an appraisal report to TSI Appraisal, Inc., which
5 contained incorrect information, along with photos of the Property, in order to receive partial
6 payment.

7 8. The appraisal report submitted by the Respondent contained a fully executed
8 Appraiser's Certification, which, among other things, attests that the Respondent performed
9 the "appraisal in accordance with the requirements of the Uniform Standards of Professional
10 Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of
11 the Appraisal Foundation and that were in place at the time this appraisal report was
12 prepared."

13 9. In his initial response to the Division, the Respondent stated that the appraisal
14 report "was transmitted only for the purposes of facilitating the transmissions of the photo
15 sheets in a timely manner simply to show that I had visited the property."

16 10. The Division's investigation revealed two separate email correspondence from
17 TSI Appraisal, Inc. to the Respondent on November 25, 2015, which both reflect that the
18 Respondent could have submitted pictures or documentation to receive his trip fee.

19 11. The Respondent's initial response to the Division did not contain evidence that
20 he was required to submit an appraisal report to receive his trip fee.

21 12. The Co-complainants and prospective buyers of the Property paid \$500.00 for
22 an appraisal as part of their loan application with their lender, Quicken Loans.

23 13. The Respondent's appraisal report concluded an opinion of value of
24 \$245,000.00.

25 14. The Respondent's appraisal report was provided to the Co-complainants and
26 prospective buyers of the Property by Quicken Loans.

27 15. The appraisal report contained numerous errors, including, among other things,
28 listing the incorrect: number of rooms, number of bathrooms, garage size, roofing material,

1 balcony location, gross living area, flooring material, and the number of ceiling fans.

2 **ALLEGED VIOLATIONS**

3 **First Claim for Relief**

4 The Respondent failed to prepare the appraisal report for the Property in Compliance
5 with the Standards of the Appraisal Foundation. These Standards are published in the
6 Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal
7 Standards Board of the Appraisal Foundation as authorized by Congress and adopted in
8 Nevada by Nevada Administrative Code ("NAC") 645C.400. By failing to be aware of,
9 understand, and correctly employ the recognized methods and techniques that are necessary
10 to produce a credible appraisal, the Respondent violated USPAP Rule 1-1(a), as codified in
11 NAC 645C.405(1). This is unprofessional conduct pursuant to NRS 645C.470(2), and grounds
12 for disciplinary action pursuant to Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or
13 (b).

14 **Second Claim for Relief**

15 By preparing a report with multiple errors and/or omissions and/or incorrect and/or
16 misleading and/or conflicting information, the Respondent failed to do his utmost to protect the
17 public against fraud, misrepresentation, and/or unethical practices related to real estate or
18 appraisals, in violation of NAC 645C.405(2), which is unprofessional conduct pursuant to NRS
19 645C.470(2), and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

20 **Third Claim for Relief**

21 By preparing a report with multiple errors and/or omissions and/or incorrect and/or
22 misleading and/or conflicting information, the Respondent failed to ascertain or include in his
23 appraisal report all pertinent facts that may be reasonably ascertained concerning the subject
24 property, in violation of NAC 645C.405(3), which is unprofessional conduct pursuant to NRS
25 645C.470(2), and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

26 **Fourth Claim for Relief**

27 By preparing a report with multiple errors and/or omissions and/or incorrect and/or
28 misleading and/or conflicting information, the Respondent failed to acquire knowledge of all

1 material facts that are reasonably ascertainable and/or are of customary or express concern,
2 and/or has failed to convey that knowledge to the client in the appraisal report, in violation of
3 NAC 645C.405(8), which is unprofessional conduct pursuant to NRS 645C.470(2), and
4 grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

5 **Fifth Claim for Relief**

6 By rendering appraisal services and preparing an appraisal report in a careless or
7 negligent manner and/or by committing a series of errors that, although individually might not
8 have significantly affected the results of the appraisal, in the aggregate did affect the credibility
9 of the appraisal, the Respondent violated USPAP Standards Rule 1-1(c), as codified in NAC
10 645.405(1). This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
11 disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

12 **Sixth Claim for Relief**

13 By failing to set forth the appraisal report in a clear and accurate manner that was not
14 misleading, the Respondent violated USPAP Standards Rule 2-1(a), as codified in NAC
15 645(c).405(1). This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
16 disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

17 **JURISDICTION**

18 The Respondent engaged in activities which require a license as an appraiser issued
19 by the Division, and therefore is subject to the jurisdiction of the Division and the provisions of
20 NRS 645C and NAC 645C. By availing himself of the benefits and protections of the laws of
21 the State of Nevada, the Respondent has submitted to the jurisdiction of the Division.

22 **PROPOSED SETTLEMENT**

23 The Division is prepared to put on a case based on the Complaint filed with the
24 Commission of Appraisers of Real Estate ("Commission") alleging the above offenses, and the
25 Division is authorized under NRS Chapter 645C.460 and NRS 645C.633 to seek the
26 imposition of a fine of up to Ten Thousand Dollars (\$10,000.00) for each offense alleged. The
27 Respondent is prepared to vigorously defend any such Complaint; however, the parties desire
28 to compromise and settle the instant controversy upon the following terms and conditions:

1 1. The Respondent agrees to pay to the Division the sum of \$5,000.00 in
2 administrative fines in resolution of the instant matter. The payment schedule for this fine is as
3 follows: the first payment of \$1,000.00 is due 15 days after the effective date of the
4 Commission's order approving the settlement agreement, with the four (4) remaining payments
5 of \$1,000.00 to be made on the 15th day of each month proceeding thereafter. If the
6 Respondent misses a payment, his license will be immediately suspended, the remaining
7 balance of the administrative fine will be become due in full, and the Division may institute
8 collection against the Respondent, if necessary, in order to collect the remaining administrative
9 fine.

10 2. The Respondent agrees to complete the following educational course within six (6)
11 months from the effective date of the Commission's order approving this settlement:

- 12 a. Fifteen (15)-hour Uniform Standards of Professional Appraisal Practice, and
13 the Respondent shall take and pass the examination with demonstrated proof
14 of passage being submitted to the Division;
15 b. Should the Respondent fail to pass the exam for the course mentioned above
16 in paragraph (a), the Respondent's license will be immediately suspended until
17 such time as passage can be demonstrated.

18 3. The Division agrees not to pursue any other or greater remedies or fines in
19 connection with the conduct referenced in the Alleged Violations' section, above;

20 4. The Respondent and the Division agree that by entering into this Stipulation, the
21 Division does not concede any defense or mitigation the Respondent may assert, and that once
22 this Stipulation is approved and fully performed, the Division will close its file in this matter. The
23 Respondent understands that the public records law may require the Division to make available
24 for inspection this Stipulation and related documents. The Respondent also understands that
25 the Division may share the contents of this Stipulation and related documents with any
26 governmental or professional organization or member of the public;

27 5. The Respondent and the Division agree that the Division, at its discretion, may
28 publish in its newsletter a summary of the alleged offenses of the Respondent and the terms of

1 this Stipulation. It is further understood by the parties that this publication is for educational
2 purposes only and to advise other licensees of the alleged violation(s) and that disciplinary action
3 has been taken by the Division;

4 6. The Respondent agrees that if the administrative fine is not paid within the time
5 allowed above or the required education is not completed in the time allowed above, the Division
6 may, at its option, rescind this Stipulation and proceed with filing a Complaint before the
7 Commission. Further, recovery actions for the administrative fines may be instituted by the
8 Division;

9 7. The Respondent agrees and understands that by entering into this Stipulation, the
10 Respondent is waiving his right (1) to a hearing at which the Respondent may present evidence
11 in his defense and to be represented by counsel; and, (2) to judicial review of any adverse
12 decision by the Commission, and to present his defense to a Commission which has had no
13 prior familiarity with the instant matter. The Commission members who review this matter for
14 approval of this Stipulation may be the same members who ultimately hear the Division's
15 Complaint if this Stipulation is either not approved by the Commission or is not timely performed
16 by the Respondent; and,

17 8. Each party shall bear its own attorney's fees and costs.

18 **STIPULATION IS NOT EVIDENCE**

19 Neither this Stipulation nor any statements made concerning this Stipulation may be
20 discussed or introduced into evidence at the hearing of the Complaint if the Division must
21 ultimately put on a case based on the Complaint filed in this matter.

22 **APPROVAL OF STIPULATION**

23 Once executed, this Stipulation will be filed with the Commission and will be put on
24 the agenda for approval at its October 11-13, 2016, meeting, which by Nevada law is a
25 public meeting. The meeting scheduled for October 11-13, 2016, will commence each day
26 at 9:00 a.m. The Commission Meeting will be located at the Grant Sawyer Building, 555
27 East Washington Avenue, Room 2450, Las Vegas, Nevada 89101, with
28

1 videoconferencing to the Legislative Building, 401 South Carson Street, Room 3137,
2 Carson City, Nevada 89701.

3 Your Stipulation is one of several hearings scheduled at the same time as part of
4 a regular meeting of the Commission that is expected to last from October 11-13, 2016,
5 beginning each day at 9:00 a.m. At that time, the Division will recommend, to the
6 Commission, approval of the Stipulation. The Respondent is required by this Stipulation to
7 attend said hearing. The Respondent acknowledges and agrees that the Commission may
8 approve this Stipulation, reject it, or suggest different terms that must be communicated to the
9 Respondent and accepted or rejected by the Respondent before any such amendment shall
10 become effective.

11 WITHDRAWAL OF STIPULATION

12 If the Commission rejects this Stipulation or suggests terms unacceptable to the
13 Respondent, the Respondent may withdraw from this Stipulation, and the Division may pursue a
14 complaint before the Commission.

15 RELEASE

16 In consideration of execution of this Stipulation, the Respondent, or his heirs,
17 executors, administrators, successors, and assigns, hereby release, remise, and forever
18 discharge the State of Nevada, the Department of Business and Industry of the State of
19 Nevada, the Division, and each of their members, agents, and employees in their individual
20 and representative capacities, from any and all manner of actions, causes of action, suits,
21 debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law
22 or equity, that the Respondent ever had, now has, may have, or claim to have against any or
23 all of the persons or entities named in this section, arising out of or by reason of the Division's
24 investigation, disciplinary action, and all other matters relating thereto.

25 INDEMNIFICATION

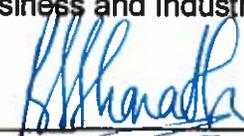
26 The Respondent hereby indemnifies and holds harmless the State of Nevada, the
27 Department of Business and Industry of the State of Nevada, the Division, and each of their
28 members, agents, and employees in their individual and representative capacities against any

1 and all claims, suits, and actions brought against said persons and/or entities by reason of the
2 Division's investigation, this disciplinary action and all other matters relating thereto, and
3 against any and all expenses, damages, and costs, including court costs and attorney fees,
4 which may be sustained by the persons and/or entities named in this section as a result of
5 said claims, suits, and actions.

6 IT IS SO STIPULATED.

7 Dated: 10/07, 2016

NEVADA REAL ESTATE DIVISION
Department of Business and Industry
State of Nevada

9 By: 

10 SHARATH CHANDRA, Administrator
11 2501 East Sahara Avenue
12 Las Vegas, Nevada 89104-4137
13 (702) 486-4033

14 Dated: 9/23/16, 2016


15 DAVID AZEVEDO, Respondent

16 Approved as to form:

17 ADAM PAUL LAXALT
18 Attorney General

19 By: 

20 PETER K. KEEGAN
21 Deputy Attorney General
22 100 North Carson Street
23 Carson City, Nevada 89701
24 (775) 684-1207
25 Attorneys for State of Nevada,
26 Department of Business and Industry,
27 Real Estate Division

28 KING & RUSSO, LTD.

By: 

PATRICK KING
King and Russo, Ltd.

123 Nye Lane, Suite 711
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Attorneys for Respondent

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