

**NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE  
MEETING  
MARCH 3, 2020 MINUTES**

**NEVADA STATE BUSINESS CENTER  
3300 WEST SAHARA AVENUE  
TAHOE ROOM, SUITE 430  
LAS VEGAS, NV 89102**

**VIDEO CONFERENCE:  
NEVADA DIVISION OF INSURANCE  
1818 E. COLLEGE PARKWAY, SUITE 103  
CARSON CITY, NV 89706**

**MARCH 3, 2020**

**9:00 A.M.**

**1-A) Introduction of Commissioners in Attendance**

In Las Vegas: Larry Michael Gandy and Deputy Attorney General Asheesh Bhalla representing the Commission.

In Carson City: Kenneth Cronin and David Stefan

**1-B) Introduction of Division Staff in Attendance**

In Las Vegas: Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager and Kelly Valadez, Commission Coordinator.

In Carson City: Perry Faigin, Deputy Administrator; Jaye Lindsay, Appraisal Program Manager; James Silva, Compliance Audit Investigator and Deputy Attorney General Peter Keegan representing the Division.

**2) Public Comment**

None.

**3) Adoption Hearing for LCB File No. R176-18**

Commissioners in attendance: Kenneth Cronin, David Stefan, Larry Michael Gandy.

Commission Counsel in attendance: Asheesh Bhalla

Division Staff in attendance: Sharath Chandra, Administrator; Perry Faigin, Deputy Administrator; Jaye Lindsay, Appraisal Program Manager; Teralyn Lewis, Administration Section Manager; James Silva, Compliance Audit Investigator; Kelly Valadez, Commission Coordinator.

**Sections 2 through 48**

Teralyn Lewis read sections into the record.

No public comment.

Public comment portion of the adoption hearing was closed.

Commission discussion.

Commissioner Gandy asked about Section 22 subsection 4. Commissioner Gandy asked if the equivalency licensing level is for certified residential appraisers or any licensure level from another jurisdiction. Commissioner Gandy stated that it would create an unfair environment for Nevada licensed residential appraisers.

Sharath Chandra stated that Section 22 subsection 4 will be changed to state “current certificate as a residential appraiser”. Mr. Chandra stated that similar language will be added to Section 21 for licensed residential appraiser.

Section 2

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Section 3

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 4-7

Commissioner Stefan moved to approve. Seconded by Commissioner Gandy. Motion passed.

Section 8

Teralyn Lewis stated that these are current fees that are in statute. Ms. Lewis stated that these fees cannot be changed by the Commission and the fees have been moved into regulation. Mr. Lewis stated that the Division intends on removing these fees from statute during the next legislative session.

Commissioner Stefan moved to approve. Seconded by Commissioner Gandy. Motion passed.

Sections 9-10

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 11-12

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 13-20

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 21 and 22

Teralyn Lewis stated that the language from Section 22 subsection 4 will be added to Section 21 and changed as applicable. Ms. Lewis stated that in Section 22 “licensed as” will be changed to “certified as”.

Commissioner Gandy moved to approve with the amendment stated by Ms. Lewis. Seconded by Commissioner Stefan. Motion passed.

Sections 23-31

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 32-39

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Section 40

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 41-45

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Sections 46-48

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion passed.

Adoption Hearing closed.

**4-A) For possible action: License Denial Appeal for decision:**

**Adam David Fenn**

**File No. S-645C-LDA-20-001**

Parties Present

Deputy Attorney General Peter Keegan was present representing the Division.

Adam David Fenn was present.

Patrick N. Chapin, Counsel for Mr. Fenn, was present.

Jaye Lindsay, Appraisal Program Manager, was present.

Susan Clark, Licensing Officer, was present.

Steve Chelimsky, witness for Mr. Fenn was present via telephone

Mr. Chapin stated Mr. Fenn was okay with having an open session and waived the opportunity for a closed session.

Mr. Keegan stated that Mr. Fenn's application was denied based on NRS 645C.320(1)(b) and (d). Mr. Keegan stated that Mr. Fenn failed to submit all the materials necessary to support appraisal reports conducted including work files. Mr. Keegan stated NRS 645C.120(3) requires the intern to keep separate files from each individual mentor that he/she works with. Mr. Keegan stated that NRS 645C.400(3) requires the retention of all work file material for up to 5 years. Mr. Keegan stated that at least four of Mr. Fenn's appraisal work files were conducted within the 5-year scope but the supplemental work files requested by the Division were not available. Mr. Keegan stated that the explanation Mr. Fenn provided was that there was a server crash. Mr. Keegan stated that when the inquiry was made as to why the applicant's mentor could not provide separate work file records for Mr. Fenn's appraisal reports, it was concluded that the mentor's work files were stored on the same server as Mr. Fenn's work files.

Mr. Chapin stated that in July of 2019 Mr. Fenn was conducting a change in servers and experienced a significant server crash resulting in a tremendous loss of material, information and PDF's. Mr. Chapin stated that Mr. Chelimsky's appraisal work files were lost in conjunction with Mr. Fenn's work files because the information was being stored on the same server.

Susan Clark was called to testify by Mr. Keegan.

Jaye Lindsay was called to testify by Mr. Keegan.

Mr. Chapin cross examined Ms. Lindsay.

Adam Fenn was called to testify by Mr. Chapin.

Mr. Keegan cross examined Mr. Fenn.

Mr. Chelimsky was called to testify by Mr. Chapin.

Mr. Keegan stated the State had no questions for Mr. Chelimsky.

Mr. Keegan stated that the Division was concerned after the review of the four appraisal reports with the specific issues of insufficient analysis of comparable sales and failure to include explanation and reconciliation with the quality and quantity of data with respect to the sales comparisons used to support conclusions that were set forth in the appraisal reports. Mr. Keegan stated that Investigator Walsh documented this in the investigation and requested further explanation from Mr. Fenn's work file which was not capable of being produced despite the requirement to be maintained for 5 years. Mr. Keegan stated that the Division's concern is with the lack of analysis and explanation with conclusions that were made in the appraisal reports. Mr. Keegan stated that having a work file would have put the Division's concerns at ease, but the work file could not be produced in this instance.

Mr. Chapin stated that there were mistakes made and this was a technological mishap. Mr. Chapin stated that Mr. Fenn has been in the real estate business for over 20 years as a licensee and a broker. Mr. Chapin stated that Mr. Fenn has federal qualifications that required Mr. Fenn to upgrade his server and unfortunately the loss in work files is what happened. Mr. Chapin stated that Mr. Fenn did not have a nefarious motive or was not trying to be disingenuous to the Commission or Mr. Fenn's profession. Mr. Chapin stated that this was simply a matter of excusable neglect. Mr. Chapin stated that looking at NRS 645C.320(1)(b) it could not be controverted that Mr. Fenn did meet the educational requirements in a timely manner. Mr. Chapin stated that the problem with 645C.320(1)(d) is Mr. Fenn's failure to submit information required to complete the application for certificate or license. Mr. Chapin stated Mr. Chelimsky testified to hundreds of appraisals being done which met the 2500-hour requirement at a minimum. Mr. Chapin asked that Mr. Fenn's appeal be consider and the earlier decision by the Division be overturned or reversed to grant Mr. Fenn a certified residential appraisal certificate.

President Cronin questioned Mr. Fenn regarding forms used.

President Cronin questioned Mr. Chelimsky regarding reports and forms used.

Commissioner Stefan questioned Mr. Fenn regarding types of appraisals performed and how work files are retrieved.

Commissioner Stefan stated that it was the licensee's responsibility to maintain these records. Commissioner Stefan stated Mr. Fenn's work is not what Commissioner Stefan would like to see being produced by a certified residential appraiser.

Commissioner Gandy questioned Mr. Fenn regarding the mentor relationship and how the interaction was between Mr. Fenn and Mr. Chelimsky. Commissioner Gandy questioned Mr. Fenn regarding letters of engagement.

Commissioner Gandy stated that the burden of proof is on the applicant to provide data that can be audited and without the complete work files the State could not audit those records.

Commissioner Gandy moved to deny the appeal.

Seconded by Commissioner Stefan.

Motion carried.

**5-A) Discussion and possible action regarding Advisory Review Committee informal conference and recommendation:**

**NRED v. Helene F. Benson**

**Case No. 2018-446 AP18.010.S**

**License No. A.0007594-CR (Active)**

Jaye Lindsay was present

Helene F. Benson was not present.

Ms. Lindsay read the Committee report into the record.

Commissioner Gandy moved to accept the recommendations of the Committee.

Seconded by Commissioner Stefan.

Motion carried.

**5-B) Discussion and possible action regarding Advisory Review Committee informal conference and recommendation:**

**NRED v. Helene F. Benson**

**Case No. 2018-761 AP18.026.S**

**License No. A.0007594-CR (Active)**

Jaye Lindsay was present.

Helene F. Benson was not present.

Ms. Lindsay read the Committee report into the record.

Commissioner Gandy moved to accept the recommendations of the Committee.

Seconded by Commissioner Stefan.

Motion carried.

**5-C) Discussion and possible action regarding Advisory Review Committee informal conference and recommendation:**

**NRED v. Christopher W. Boger**

**Case No. 2018-469 AP18.020.S**

**License No. A.0007035-CR (Active)**

Jaye Lindsay was present.

Christopher W. Boger was not present.

Ms. Lindsay read the Committee report into the record.

Commissioner Cronin moved to accept the recommendations of the Committee.

Seconded by Commissioner Gandy.

Motion carried.

**5-D) Discussion and possible action regarding Advisory Review Committee informal conference and recommendation:**

**NRED v. Michelle E. Lapadu**

**Case No. 2018-461 AP18.011.S**

**License No. A.0006848-CR (Active)**

Jaye Lindsay was present.

Michelle E. Lapadu was not present.

Ms. Lindsay read the Committee report into the record.

Commissioner Gandy moved to accept the recommendations of the Committee.

Seconded by Commissioner Stefan.

Motion carried.

**5-E) Discussion and possible action regarding Advisory Review Committee informal conference and recommendation:**

**NRED v. Charles S. Sanford**

**Case No. 2018-357 AP18.014.S**

**License No. A.0006905-CR (Active)**

Jaye Lindsay was present.

Charles S. Sanford was not present.

Ms. Lindsay read the Committee report into the record.

Commissioner Gandy moved to accept the recommendations of the Committee.

Seconded by Commissioner Stefan.

Motion carried.

**6-A) Discussion regarding the discipline report.**

Teralyn Lewis presented this report. The Commission was provided with the report in the meeting packet.

**6-B) Discussion regarding the Administrator's report on personnel and Division updates.**

Sharath Chandra presented this report. Mr. Chandra stated that the Governor is in the process of appointing persons to fill the two open positions on the Commission. Mr. Chandra stated that a budget cycle is beginning to prepare for Legislative session which presents an opportunity for the Division to finish the regulations so they can be adopted.

**6-C) Discussion regarding the Appraisal Officer's report on compliance case load.**

Jaye Lindsay presented this report. The Commission was provided with the report in the meeting packet.

**6-D) Discussion and possible action to approve the minutes of the August 27, 2019 meeting.**

Commissioner Stefan moved to approve the minutes of the August 27, 2019 meeting. Seconded by Commissioner Gandy. Motion carried.

**6-E) Discussion and possible action to approve the minutes of the October 1, 2019 meeting.**

Commissioner Gandy moved to approve the minutes of the October 1, 2019 meeting. Seconded by Commissioner Stefan. Motion carried.

**6-F) For possible action: Discussion and decision concerning Appraiser Advisory Review Committee application:**

1. Matt Buxton – License No. A.0007839-CG
2. Tammy Howard – License No. A.0000253-CG
3. Kristen Lowe – License No. A.0207164-CG

Commissioner Gandy moved to approve. Seconded by Commissioner Stefan. Motion carried.

**7) Public Comment**

None.

**8) Adjournment**

The meeting adjourned at 12:15 p.m. on March 3, 2020.