

1 **BEFORE THE COMMISSION OF APPRAISERS OF REAL ESTATE**

2 **STATE OF NEVADA**

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

7 Petitioner,

8 vs.

9 CHARLES S. MANESS
10 (License No. A.0007326-CR),

11 Respondent.

Case No. 2021-311, AP21.036.S

FILED

AUG 23 2023

NEVADA COMMISSION OF APPRAISERS

mgallo

12 **COMPLAINT AND NOTICE OF HEARING**

13 State of Nevada, Department of Business and Industry, Real Estate Division (“the
14 Division”), by and through counsel, Attorney General AARON D. FORD and Deputy
15 Attorney General CHRISTAL PARK KEEGAN, hereby notifies CHARLES S. MANESS
16 (“Respondent”) of an administrative complaint and hearing which is to be held pursuant
17 to Chapter 233B and Chapter 645C of the Nevada Revised Statutes (“NRS”) and Chapter
18 645C of the Nevada Administrative Code (“NAC”). The purpose of the hearing is to
19 consider the allegations stated below and to determine if the Respondent should be
20 subject to a disciplinary penalty as set forth in NRS 645C and or NAC 645C, if the stated
21 allegations are proven at the hearing by the evidence presented.

22 **JURISDICTION**

23 At all times relevant to this Complaint, the Respondent was a Certified Residential
24 Appraiser licensed by the Division, and therefore, is subject to the Jurisdiction of the
25 Division and the provisions of NRS and NAC Chapter 645C. By availing himself of the
26 benefits and protections of the laws of the State of Nevada, the Respondent has submitted
27 to the jurisdiction of the Division.

28 . . .

1 **PROCEDURAL HISTORY**

2 1. On or about March 29, 2021, the Division received a complaint from the
3 seller's real estate agent alleging that the Respondent was unprofessional and did not
4 submit the final report in a timely manner. *000001-000010.*

5 2. The Division commissioned a Standard 3 Review of the underlying appraisal
6 performed by the Respondent. *000079.*

7 3. The Standard 3 Reviewer found the Respondent's appraisal report did not
8 meet a total of ten (10) USPAP Standards. *000079-000101.*

9 4. Given the Respondent's prior discipline history (Case Nos. 2009-677,
10 AP10.013.S and 2017-1951, AP18.001.S) relevant to the possible violations committed in
11 this appraisal report, the Division determined this matter should be heard by the Nevada
12 Commission of Appraisers of Real Estate ("Commission"). *000078, and 000102-000105.*

13 **FACTUAL ALLEGATIONS**

14 1. On or about February 26, 2021, the Respondent accepted an appraisal order
15 for the 1004C manufactured home on 2791 W. Hardy Lane in Pahrump, Nevada 89048
16 ("Subject"). *000068.*

17 2. The order request noted a rush and a due date of March 8, 2021. *000068.*

18 3. The appraisal was performed for a sales contract, but there was no copy of
19 the Purchase Agreement in the Respondent's work file. *000011-000071.*

20 4. The signature date of the Respondent's Appraisal Report was March 17,
21 2021, with an effective date of March 2, 2021. *000014-000045, and 000020.*

22 5. The Respondent's Appraisal Report represented land sales in Pahrump were
23 limited when the area had a very active land sales market. *000015.*

24 6. The Respondent provided basic comments regarding Gross Living Area
25 (GLA) adjustments at a rate of \$25/sq. ft. without further explanation in the Appraisal
26 Report or any support in the work file. *000017.*

27 7. The Respondent made inconsistent adjustments to the comparables feature
28 Porch/Patio/Deck without explanation. *000016, and 000021.*

1 8. The Respondent's Appraisal Report provided no discussion regarding
2 Comparable #1, the only comparable with two bedrooms. 000016.

3 9. The Respondent's Appraisal Report provided no discussion of Comparables
4 #s 1, 4, and 5's renovation efforts, distinguished from the Subject. 000016, and 000021.

5 10. The Respondent's Appraisal Report provided no discussion of Comparables
6 #s 2 and 3 having above-ground pools. 000016.

7 11. The Respondent's Appraisal Report and work file did not provide data,
8 information, or documentation to support pre-set language, Appraiser's Certification #9.
9 000019.

10 **VIOLATIONS OF LAW**

11 The Respondent failed to prepare the appraisal report for the Property in
12 Compliance with the Standards of the Appraisal Foundation and the law. The Standards
13 are published in the Uniform Standards of Professional Appraisal Practice ("USPAP")
14 adopted by the Appraisal Standards Board of the Appraisal Foundation, as authorized by
15 Congress, and adopted in Nevada by NAC 645C.400(1).

16 **First Violation**

17 The USPAP ETHICS RULE requires an appraiser must perform assignments with
18 impartiality, objectivity, and independence, and without accommodation of personal
19 interests. An appraiser must not communicate assignment results with the intent to
20 mislead or to defraud.

21 The Respondent violated the USPAP ETHICS RULE by making statements that
22 there were limited number of land sales in Pahrump when there were an adequate
23 number of land sales in the market.

24 The Respondent further violated the USPAP ETHICS RULE by failing to explain
25 and/or support what the GLA adjustment rate of \$25/sq. ft. was based on.

26 The Respondent's actions constitute unprofessional conduct pursuant to NRS
27 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
28 pursuant to NRS 645C.460(1)(a) and/or (b).

1 **Second Violation**

2 The USPAP RECORD KEEPING RULE requires an appraiser must prepare a
3 work file for each appraisal. The work file must include: all other data, information, and
4 documentation necessary to support the appraiser's opinions and conclusions and to show
5 compliance to USPAP, or references to the location(s) of such data, information, and
6 documentation.

7 The Respondent violated USPAP RECORD KEEPING RULE because his work file
8 lacked land sales searches in Pahrump.

9 The Respondent also violated USPAP RECORD KEEPING RULE by failing to
10 include support in his work file for adjustments in the Sales Comparison Approach.

11 The Respondent further violated USPAP RECORD KEEPING RULE by failing to
12 include a copy of the Purchase Agreement in the work file.

13 The Respondent's actions constitute unprofessional conduct pursuant to NRS
14 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
15 pursuant to NRS 645C.460(1)(a) and/or (b).

16 **Third Violation**

17 The USPAP COMPETENCY RULE may apply to such factors, such as, but not
18 limited to, appraiser's familiarity with a specific type of property or asset, a market, a
19 geographic area, an intended use, specific laws and regulations, or an analytical method.
20 If such a factor is necessary for an appraiser to develop credible assignment results, the
21 appraiser is responsible for having the competency to address the factor or for following
22 the steps outlined below to satisfy this COMPETENCY RULE.

23 The Respondent violated USPAP COMPETENCY RULE by failing to support land
24 value in the cost approach and adjustments made in the sales grid in his report and/or
25 work file.

26 The Respondent also violated USPAP COMPETENCY RULE by failing to support
27 Appraiser's Certification #9 in his report and/or work file.

28 . . .

1 The Respondent's actions constitute unprofessional conduct pursuant to NRS
2 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
3 pursuant to NRS 645C.460(1)(a) and/or (b).

4 **Fourth Violation**

5 The USPAP SCOPE OF WORK RULE requires an appraiser to properly identify
6 the problem to be solved in order to determine the appropriate scope of work. The
7 appraiser must be prepared to demonstrate that the scope of work is sufficient to produce
8 credible assignment results. Scope of work includes but is not limited to: the extent to
9 which the property is identified; the extent to which tangible property is inspected; the
10 type of extent of data researched; and the type and extent of analyses applied to arrive at
11 opinions or conclusions.

12 The Respondent violated USPAP SCOPE OF WORK RULE by failing to explain
13 the extent of analyses used to arrive at opinions and conclusions in his report and/or
14 work file.

15 The Respondent violated USPAP SCOPE OF WORK RULE by failing to explain
16 the differences among comparables and how they impacted their respective prices and
17 concluded values in his report and/or work file.

18 The Respondent's actions constitute unprofessional conduct pursuant to NRS
19 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
20 pursuant to NRS 645C.460(1)(a) and/or (b).

21 **Fifth Violation**

22 USPAP Standards Rule 1-1(a) requires that an appraiser be aware of, understand,
23 and correctly employ those recognized methods and techniques that are necessary to
24 produce a credible appraisal.

25 The Respondent violated Standards Rule 1-1(a) by failing to employ recognized
26 methods and techniques that are necessary to produce a credible appraisal in his report.

27 ...

28 ...

1 The Respondent's actions constitute unprofessional conduct pursuant to NRS
2 645C.470(2), as determined by NAC 645C.405(1) and (2) and grounds for disciplinary
3 action pursuant to NRS 645C.460(1)(a) and/or (b).

4 **Sixth Violation**

5 USPAP Standards Rule 1-2(h) required an appraiser to determine the scope of
6 work necessary to produce credible assignment results in accordance with the SCOPE OF
7 WORK RULE.

8 The Respondent violated Standards Rule 1-2(h) by failing to explain the extent of
9 analyses used to arrive at opinions and conclusions in his report and/or work file.

10 The Respondent also violated Standards Rule 1-2(h) by failing to explain the
11 differences among comparables and how they impacted their respective prices and
12 concluded values in his report and/or work file.

13 The Respondent's actions constitute unprofessional conduct pursuant to NRS
14 645C.470(2), as determined by NAC 645C.405(1) and (2) and grounds for disciplinary
15 action pursuant to NRS 645C.460(1)(a) and/or (b).

16 **Seventh Violation**

17 USPAP Standards Rule 1-4(a) provides that when a sales comparison approach is
18 necessary for credible assignment results, an appraiser must analyze such comparable
19 sales data as are available to indicate a value conclusion.

20 The Respondent violated Standards Rule 1-4(a) by failing to explain the extent of
21 the analyses used to arrive at opinions and conclusions in his report and/or work file.

22 The Respondent also violated Standards Rule 1-4(a) by failing to support
23 Appraiser's Certification #9 in his report and/or work file.

24 The Respondent's actions constitute unprofessional conduct pursuant to NRS
25 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
26 pursuant to NRS 645C.460(1)(a) and/or (b).

27 ...

28 ...

1 **Eighth Violation**

2 USPAP Standards Rule 2-1(a) requires each written or oral real property appraisal
3 report must clearly and accurately set forth the appraisal in a manner that will not be
4 misleading.

5 The Respondent violated Standards Rule 2-1(a) by failing to support the report's
6 signed certifications in his work file.

7 The Respondent's actions constitute unprofessional conduct pursuant to NRS
8 645C.470(2), as determined by NAC 645C.405(1) and (2) and grounds for disciplinary
9 action pursuant to NRS 645C.460(1)(a) and/or (b).

10 **Ninth Violation**

11 USPAP Standards Rule 2-2(a)(viii) requires the content of an Appraisal Report
12 must be appropriate for the intended use of the appraisal and, at a minimum, summarize
13 the scope of work used to develop the appraisal.

14 Respondent violated Standards Rule 2-2(a)(viii) by failing to include in his report
15 and/or work file information that summarized the information analyzed, appraisal
16 methods and techniques employed, and the reasoning that supports analyses, opinions,
17 and conclusions.

18 The Respondent's actions constitute unprofessional conduct pursuant to NRS
19 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
20 pursuant to NRS 645C.460(1)(a) and/or (b).

21 **Tenth Violation**

22 USPAP Standards Rule 2-2(a)(x) requires the content of an Appraisal Report must
23 be appropriate for the intended use of the appraisal and, at a minimum, provide sufficient
24 information to indicate that the appraiser complied with the requirements of STANDARD
25 1 by: (1) summarizing the appraisal methods and techniques employed; (2) stating the
26 reasons for excluding the sales comparison, cost, or income approach(es) if any have not
27 been developed; (3) summarizing the results of analyzing the subject sales, agreements of
28 sale, options, and listings in accordance with Standards Rule 1-5; (4) stating the value

1 opinion(s) and conclusion(s); and (5) summarizing the information analyzed and the
2 reasoning that supports the analyses, opinions, and conclusions, including reconciliation
3 of the data and approaches.

4 The Respondent violated Standards Rule 2-2(a)(x) by failing to summarize the
5 methodology used to extract applicable market-derived adjustments in the sales
6 approach.

7 The Respondent further violated Standards Rule 2-2(a)(x) by failing to support
8 Appraiser's Certification #9 in his report and/or work file.

9 The Respondent's actions constitute unprofessional conduct pursuant to NRS
10 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
11 pursuant to NRS 645C.460(1)(a) and/or (b).

12 **DISCIPLINE AUTHORIZED**

13 1. Pursuant to NRS 645C.460(2), if grounds for disciplinary action against an
14 appraiser are found to exist for unprofessional conduct, the Commission may revoke or
15 suspend the certificate, place conditions upon the certificate, deny the renewal of his or
16 her certificate, and/or impose a fine up to \$10,000.00 per violation.

17 2. Additionally, under NRS 622.400, the Commission is authorized to impose
18 the costs of the proceeding upon the Respondent, including investigative costs and
19 attorney's fees, if the Commission otherwise imposes discipline on the Respondent.

20 3. Therefore, the Division requests the Commission to impose such discipline as
21 it determines is appropriate under the circumstances and to award the Division its costs
22 and attorney's fees for this proceeding.

23 **PLEASE TAKE NOTICE** that a disciplinary hearing has been set to consider this
24 Administrative Complaint against the above-named Respondent in accordance with
25 Chapter 233B and Chapter 645C of the Nevada Revised Statutes and Chapter 645C of the
26 Nevada Administrative Code.

27 **THE HEARING WILL TAKE PLACE** at the Commission meeting scheduled
28 for October 3-5, 2023, beginning at approximately 9:00 a.m. each day, or until

1 such time as the Commission concludes its business. The Commission meeting
2 will be held at the Nevada State Business Center, 3300 W. Sahara Avenue,
3 Nevada Room 4th Floor, Las Vegas, Nevada 89102, with video conference to:
4 Department of Business & Industry, 1818 E. College Parkway, Suite 103, Carson
5 City, Nevada 89076.

6 **STACKED CALENDAR:** Your hearing is one of several hearings that may
7 be scheduled at the same time as part of a regular meeting of the Commission
8 that is expected to take place on October 3-5, 2023. Thus, your hearing may be
9 continued until later in the day or from day to day. It is your responsibility to
10 be present when your case is called. If you are not present when your case is
11 called, a default may be entered against you, and the Commission may decide
12 the case as if all allegations in the complaint were true. If you need to negotiate
13 a more specific time for your hearing in advance, because of coordination with
14 out-of-state witnesses or the like, please call Maria Gallo, Commission
15 Coordinator, at (702) 486-4074.

16 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is an
17 open meeting under Nevada's Open Meeting Law (OML) and may be attended by the
18 public. After the evidence and arguments, the Commission may conduct a closed meeting
19 to discuss your alleged misconduct or professional competence. You are entitled to a copy
20 of the transcript of the open and closed portions of the meeting, although you must pay for
21 the transcription.

22 As the Respondent, you are specifically informed that you have the right to appear
23 and be heard in your defense, either personally or through your counsel of choice. At the
24 hearing, the Division has the burden of proving the allegations in the complaint and will
25 call witnesses and present evidence against you. You have the right to respond and to
26 present relevant evidence and argument on all issues involved. You have the right to call
27 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any
28 matter relevant to the issues involved.


1 You have the right to request that the Commission issue subpoenas to compel
2 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
3 you may be required to demonstrate the relevance of the witnesses' testimony and/or
4 evidence. Other important rights you have are listed in NRS Chapter 645C, NRS
5 Chapter 233B, and NAC Chapter 645C.

6
7 DATED the 22 day of August, 2023.

DATED the 22nd day of August, 2023.

8
9 NEVADA REAL ESTATE DIVISION

AARON D. FORD
Attorney General

10
11 By: 
12 SHARATH CHANDRA, Administrator
13 3300 W. Sahara Avenue, Suite 350
14 Las Vegas, Nevada 89102
15 Telephone: (702) 486-4033

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

Attorney for Real Estate Division