

APPRAISAL REPORT

A Newsletter for Nevada Appraisers

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

BOB TEST Logout

\$0.00 Checkout



Nevada Real Estate Division
A Division of the Department of Business & Industry



HOME

MY ACCOUNT

ONLINE SERVICES ▾

Welcome Contact Information Credential Information Continuing Education Credits

Before you can renew online, you must add and/or validate your email address by clicking "My Account" above.

Renewing your license online consists of 3 easy steps:

Step 1. Answer the questions pertaining to the following sections:

- a. State Residency
- b. License Status
- c. Education
- d. Course Information
- e. Child Support
- f. Criminal History
- g. Attestation

Step 2. Review and confirm your information. Make corrections if needed, and electronically submit the application. You will have the option to print a copy for your records.

Step 3. Make your payment. Currently, only credit or debit cards bearing the Visa or MasterCard logo is accepted. When you click on PAY NOW, you will be navigated to the Real Estate Division's external payment site. Renewal fees are not refundable.

MY ACCOUNT USER PORTAL GETS A MAKEOVER

After a week offline for some much-needed maintenance, the My Account user portal is back up and running with a brand new look.

Apart from the more modern display, there are a few updates to the portal, including a new requirement for licensees to validate their email addresses in order to access online services such as renewal.

All licensees will need to validate their email address, regardless of whether they've logged in or renewed online before. If you are logging in for the first time, you'll also need to answer three security questions before

you can proceed.

Once you've validated your email address and configured your security questions, you will be able to begin the online renewal process by clicking the Start/Continue Renewal link under the Online Services menu. 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.

FROM THE DESK OF THE COMPLIANCE INVESTIGATOR



RECORD KEEPING RULE: USPAP, pg. 10 lines 269-278

As the investigator, I am seeing a lot of work files that do not contain the necessary documentation to support the opinions and conclusions within the appraisal report or even all true copies of reports sent to the lender/client.

The work file must include:

- the name of the client and the identity, by name or type, of any other intended users;
- true copies of all written reports, documented on any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy.);
- summaries of all oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and
- 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.

FROM THE DESK OF THE APPRAISAL MANAGER

Interns and supervisors must keep copies of intern logs, as changes may be required once they have been reviewed by the Appraisal Program Manager.

SEEKING NORTHERN NEVADA APPRAISERS TO JOIN THE COMMISSION OF APPRAISERS OF REAL ESTATE



The State of Nevada Real Estate Division, Appraisal Section, is seeking two Appraisers from Northern Nevada (Carson City, and the counties of Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Pershing, Storey, Washoe and White Pine) to serve on the Commission of Appraisers of Real Estate (CARE). At least one position must be filled by a Certified General Appraiser. The [application](#) is available on the Governor's website.

Please feel free to contact the Appraisal Program Manager should you have any questions. CARE hears cases that involve violations of the Nevada Revised Statutes (NRS) and Administrative Code (NAC), as well as violations of the Uniform Standards of Professional Appraisal Practice (USPAP).

The State's case is presented by the Deputy Attorney General and the respondent may also choose to have legal representation during the Commission Meeting. CARE has the authority to impose administrative fines and suspend or even revoke licenses. NRS 645C establishes the Commission's configuration, how commissioners are appointed and their term limits.

DID YOU KNOW...?

As long as a Commission meeting goes for at least two hours, you can earn continuing education (CE) credit just by attending.

NRS 645C.180 Commission of Appraisers of Real Estate: Creation; appointment and terms of members; limitations on membership.

1. The Commission of Appraisers of Real Estate is hereby created, consisting of five members appointed by the Governor.
2. At least two members of the Commission must be residents of the southern district of Nevada, which consists of the counties of Clark, Esmeralda, Lincoln and Nye.
3. At least two members of the Commission must be residents of the northern district of Nevada, which consists of Carson City, and the counties of Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Pershing, Storey, Washoe and White Pine.
4. Not more than two members may be appointed from any one county.
5. After the terms of the initial members, the Commission must contain at least two members who hold certificates as general appraisers and at least two members who hold certificates or licenses as residential appraisers.
6. A member of the Commission is eligible for reappointment but shall not serve for a period greater than 6 years consecutively, after which the member is not eligible for appointment or reappointment until 3 years have elapsed from his or her previous period of service.

(Added to NRS by 1989, 823; A 1991, 888)

FROM 2020- 2021 USPAP

TAKE NOTE OF THESE
ITEMS, FREQUENTLY
FOUND AS ISSUES
DURING MEETINGS
OF THE APPRAISAL
ADVISORY REVIEW
COMMITTEE



STANDARDS RULE 1-3 MARKET ANALYSIS AND HIGHEST AND BEST USE

When necessary, for credible assignment results in developing a market value opinion, an appraiser must:

- (a) identify and analyze the effect on use and value of:
 - (i) existing land use regulations.
 - (ii) reasonably probable modifications of such land use regulations.
 - (iii) economic supply and demand.
 - (iv) the physical adaptability of the real estate; and
 - (v) market area trends; and

Comment: An appraiser must avoid making an unsupported assumption or premise about market area trends, effective age, and remaining life.

- (b) develop an opinion of the highest and best use of the real estate.

Comment: An appraiser must analyze the relevant legal, physical, and economic factors to the extent necessary to support the appraiser's highest and best use conclusion(s).

STANDARDS RULE 1-4 APPROACHES TO VALUE

In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

- (a) When a sales comparison approach is necessary for credible assignment results, an appraiser must analyze such comparable sales data as are available to indicate a value conclusion.
- (b) When a cost approach is necessary for credible assignment results, an appraiser must:



STANDARDS RULE 1-4

APPROACHES TO VALUE (CONTINUED)

- (i) develop an opinion of site value by an appropriate appraisal method or technique.
 - (ii) analyze such comparable cost data as are available to estimate the cost new of the improvements (if any); and
 - (iii) analyze such comparable data as are available to estimate the difference between the cost new and the present worth of the improvements (depreciation).
- (c) When an income approach is necessary for credible assignment results, an appraiser must:
- (i) analyze such comparable rental data as are available and/or the potential earnings capacity of the property to estimate the gross income potential of the property;
 - (ii) analyze such comparable operating expense data as are available to estimate the operating expenses of the property.
 - (iii) analyze such comparable data as are available to estimate rates of capitalization and/or rates of discount;
 - (iv) base projections of future rent and/or income potential and expenses on reasonably clear and appropriate evidence; and
 - (v) weigh historical information and trends, current supply and demand factors affecting such trends, and anticipated events such as competition from developments under construction, when developing income and expense statements and cash flow projections.
- (d) When developing an opinion of the value of a leased fee estate or a leasehold estate, an appraiser must analyze the effect on value, if any, of the terms and conditions of the lease(s).
- (e) When analyzing the assemblage of the various estates or component parts of a property, an appraiser must analyze the effect on value, if any, of the assemblage. An appraiser must refrain from valuing the whole solely by adding together the individual values of the various estates or component parts.
- Comment: Although the value of the whole may be equal to the sum of the separate estates or parts, it also may be greater than or less than the sum of such estates or parts.
- (f) When analyzing anticipated public or private improvements, located on or off the site, an appraiser must analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.
- (g) When personal property, trade fixtures, or intangible assets are included in the appraisal, the appraiser must analyze the effect on value of such non-real property assets.

ATTENTION MILITARY VETERANS

Why You Should Consider a Career in Real Estate Appraisal



Are you a military veteran considering a career in real estate appraisal? Real estate appraisers provide opinions of value that can be used for mortgage lending, property tax appeal, litigation support, estate planning, and insurance, among other purposes. There are many benefits to becoming an appraiser, all noted below.

- 1 Work on Your Own Schedule**
Appraisers have the independence and flexibility to plan their work schedules.
- 2 State of the Art Technology**
Successful appraisers will make use of the latest in technology.
- 3 Earn a Good Wage**
Wages are typically based on the number of appraisals performed. More appraisals equals more money.
- 4 Your Job is Necessary**
Appraisers are an integral part of the real estate market.
- 5 Good Job Outlook**
Outlook for the appraisal profession shows there will be continued demand.
- 6 Interested in Real Estate**
Provides an opportunity to study market transactions, inspect properties, and develop opinions of value.
- 7 Active Work Environment**
Appraisers do not work at a desk every day. Appraisers interact with others, including property owners, buyers, real estate agents, brokers, and other appraisers. When not at an appointment, many appraisers have the flexibility to work from their home offices.
- 8 Networking Opportunities**
There are several professional associations that offer educational programs and host social networking opportunities.
- 9 Online Education**
There are many online educational programs available that provide flexibility to obtain education. Traditional classroom opportunities are also widely available.

Military Veterans may be able to secure funding for appraisal education and training through the US Department of Veterans Affairs. To learn more about the appraisal profession or how to become an appraiser, visit www.appraisalfoundation.org.

About The Appraisal Foundation

The Appraisal Foundation is the nation's foremost authority on the valuation profession. The organization sets the Congressionally-authorized standards and qualifications for real estate appraisers, and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. This work advances the profession by ensuring appraisals are independent, consistent, and objective. More information on The Appraisal Foundation is available at www.appraisalfoundation.org.

DISCIPLINE CASES FROM THE COMMISSION OF APPRAISERS OF REAL ESTATE

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 JULY 2021, THERE ARE 20 CASES PENDING CARE FOR 2021.

FIRST CASE

This case was a Nevada Real Estate Audit and had a Standard 3 Review conducted on the Appraisal in question.

VIOLATIONS

Ethics Rule	Standards Rule 1-4
Record Keeping Rule	Standards Rule 1-5
Competency Rule	Standards Rule 1-6
Scope of Work Rule	Standards Rule 2-1
Standards Rule 1	Standards Rule 2-2
Standards Rule 1-1	NAC 645C.460
Standards Rule 1-2	NAC 645C.405
Standards Rule 1-3	NAC 645C.480

DISCIPLINE

Respondent reached a settlement and agreed to pay a fine and turn in the Appraisal License.

SECOND CASE

A complaint was filed with the Nevada Real Estate Division on 04/18/2017. The complaint questioned the use of older comparable sales and provided the respondent with market data indicating market demand was increasing, while inventory was declining, contradicting the respondent's market analysis. The complaint disagreed with the respondent's market analysis and opinion of value. A Standard 3 Review was conducted on this appraisal.

VIOLATIONS

Ethics Rule	Standards Rule 1-6
Record Keeping Rule	Standards Rule 2
Standards Rule 1	Standards Rule 2-2
Standards Rule 1-2	
Standards Rule 1-3	
Standards Rule 1-4	

DISCIPLINE

Respondent reached a settlement and is to complete 42 hours of CE within 18 months of the Appraisal Commission President signing the Stipulated Agreement. The CE cannot be used for license renewal, and a fine was imposed.

THIRD AND FOURTH CASE

Residential license denied due to unlicensed activity. Intern worked after the intern certificate had expired. Intern submitted three different intern logs with different information on all three logs.

DISCIPLINE

Respondent must complete a 400-hour internship with a different supervisor and pay a fine. Supervisor must take no less than six hours of CE and may not supervise an intern for at least three years. A fine was also imposed.

A Couple More Things . . .

UPDATES TO THE NATIONAL REGISTRY

To have information such as addresses and phone numbers updated on the National Registry, contact the Appraisal Program Manager at jvlindsay@red.nv.gov with the information that needs to be updated or corrected.

SERVE ON THE ADVISORY REVIEW COMMITTEE

The Appraisal Advisory Review Committee (AARC) is comprised of volunteer Appraisers who gather to hear investigative cases in an informal setting. If you're interested in serving on the AARC, complete [the application on the Division's website](#) and email it to jvlindsay@red.nv.gov.

NEW ONLINE:

- [Online Renewal for Licensees and Educators](#)
- [New Continuing Education \(CE\) Courses](#)
- [Renewed CE Courses](#)

APPRAISAL STATISTICS AS OF JULY 2021

APPRAISER TYPE	COUNT
Certified General Appraisers	419
Certified Residential Appraisers	456
Residential Appraisers	80
Appraiser Interns	92
Appraisal Management Companies	133

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

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COMMISSION OF APPRAISERS OF REAL ESTATE

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