# NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE OCTOBER 11, 2016 MINUTES

GAMING CONTROL BOARD 555 E. WASHINGTON AVENUE HEARING ROOM 2450 LAS VEGAS, NV 89101

VIDEO CONFERENCED TO: GAMING CONTROL BOARD OFFICE 1919 COLLEGE PARKWAY, CARSON CITY, NEVADA 89706

OCTOBER 11, 2016 9:03 A.M.

# 1-A) Swearing in of Commissioner

Debbie Huber and Daniel Walsh were sworn in as reappointed commissioners by President Anderson.

# 1-B) <u>Introduction of Commissioners in attendance</u>

In Las Vegas: Debbie Huber and Glenn Anderson.

In Carson City: David Stefan; Cynthia Hoonhout; Daniel Walsh; and Sarah Bradley as Commission Counsel.

# 1-C) <u>Introduction of Division Staff in attendance</u>

In Las Vegas: Sharath Chandra, Administrator; Teralyn Thompson, Administration Section Manager; Claudia Rosolen, Commission Coordinator.

In Carson City: Brenda Kindred-Kipling, Appraisal Section Manager; Peter K. Keegan, Deputy Attorney General.

### 2) Public Comment

None.

### 3-1) Disciplinary action: Hearing and possible action by the Commission

NRED v. GORDON VELLA, for possible action

Case No. AP17.005.N

License No. ATMP.0012602.CG (Expired)

Parties Present:

Deputy Attorney General Peter K. Keegan was present representing the Division.

Gordon Vella was not present.

#### **Preliminary Matters:**

Mr. Keegan stated that the State and the respondent reached a settlement. Mr. Keegan read the Alleged Violations and Stipulation for Settlement into the record.

# **Stipulation for Settlement:**

Respondent agrees to pay the Division an administrative fine in the amount of \$5,000.00 within one month after the effective date of the Commission's Order approving the Stipulation.

Commissioner Huber moved to accept the Stipulation for Settlement of Disciplinary Action. Commissioner Hoonhout seconded.

Motion carried unanimously.

3-2) Disciplinary action: Hearing and possible action by the Commission

NRED v. DAVID AZEVEDO, for possible action

**Case No. AP16.014.N** 

License No. A.0007804-CR (Active)

Parties Present:

Deputy Attorney General Peter K. Keegan was present representing the Division.

Patrick King was present representing David Azevedo.

David Azevedo was not present.

Mr. Keegan requested to amend the stipulation to reflect case no. AP16.014.N instead of AP16.0014.N. Mr. Keegan requested to amend the word "sixth claim for relief" to "fifth claim for relief" and the "seventh claim for relief" to "sixth claim for relief" on page 4.

Commissioner Walsh requested to amend the year on page one, paragraph 1 and 5; from "2016" to "2015".

Mr. King agreed to the changes proposed by Mr. Keegan and Commissioner Walsh.

### **Preliminary Matters:**

Mr. Keegan stated that the State and the respondent reached a settlement. Mr. Keegan read the Alleged Violations and Stipulation for Settlement into the record.

# **Stipulation for Settlement:**

- Respondent agrees to pay the Division an administrative fine in the amount of \$5,000.00
- ➤ The payment schedule for the fine is as follows: the first payment of \$1,000.00 is due 15 days after the effective date of the Commission's order approving the settlement agreement, with the four (4) remaining payments of \$1,000.00 to be made on the 15th day of each month proceeding thereafter.
- ➤ If the Respondent misses a payment, his license will be immediately suspended, and the remaining balance of the administrative fine will become due in full.
- ➤ The Respondent agrees to complete the fifteen hour Uniform Standards of Professional Appraisal Practice course, take and pass the examination; and to submit to the Division proof of passage of the course within six (6) months from the effective date of the Commission's order approving the settlement.
- > Should the Respondent fail to pass the exam, the Respondent's license will be immediately suspended until such time as passage can be demonstrated.

Commissioner Huber moved to accept the amended Stipulation for Settlement of Disciplinary Action. Commissioner Walsh seconded.

Motion carried 4 to 1 with Commissioner Hoonhout opposed.

### 4) ADVISORY REVIEW COMMITTEE INFORMAL CONFERENCE:

# 4-1) NRED v. EDWARD CLARK Case No. AP15.044.S

Brenda Kindred-Kipling read the Committee Report into the record.

Ms. Kindred- Kipling stated that the Respondent agreed with the committee's recommendations.

Commissioner Walsh moved to accept the Stipulation for Settlement of Disciplinary Action. Commissioner Hoonhout seconded.

Motion carried unanimously.

### 4-2) NRED v. JOHN GREEN Case No. AP15.019.S

Brenda Kindred-Kipling read the Committee Report into the record.

Ms. Kindred Kipling stated that the Respondent agreed with the committee's recommendations.

Commissioner Hoonhout moved to accept the Stipulation for Settlement of Disciplinary Action. Commissioner Stefan seconded.

Motion carried unanimously.

### 4-3) NRED v. MARK PERKES Case No. AP15.042.S

Brenda Kindred-Kipling read the Committee Report into the record.

Ms. Kindred Kipling stated that the Respondent agreed with the committee's recommendations.

Commissioner Huber moved to accept the Stipulation for Settlement of Disciplinary Action. Commissioner Walsh seconded.

Motion carried unanimously.

### 5-A-1) Administrator's Report: Personnel

Sharath Chandra presented this report. Mr. Chandra thanked Brenda Kindred-Kipling for her work in the appraisal section. Mr. Chandra stated that the investigator position in the north is still open and that the Division is having some trouble filling it.

#### 5-A-2) Administrator's Report: Division's Las Vegas office moving to another location

Sharath Chandra presented this report. Mr. Chandra stated that the Las Vegas location is in the process of moving into a different building with other agencies from Business and Industry. Mr. Chandra stated that the move should start by the end of January.

# 5-A-3) Administrator's Report: The Division's budget

Sharath Chandra presented this report. Mr. Chandra stated that the Division submitted a flat budget. Mr. Chandra stated that it is going to be challenging because the market is improving, needs for services

are increasing and the Division is constrained with what it has. Mr. Chandra stated that trying to maintain the current status is the Division's biggest challenge.

# 5-B) <u>Disciplinary Report</u>

Teralyn Thompson presented this report. Ms. Thompson stated that the highlighted parts on the report are the changes since the last Commission meeting. Ms. Thompson stated that on page 2 of the report Mr. Tomasini is up to date with his payments. Ms. Thompson stated that on page 3 of the report Mr. Cunningham is up to date with his payments and on page 4 Mr. Hatch is up to date with his payments.

# 5-C) <u>Discussion regarding Appraisal Officer's report on compliance case load for Fiscal Year 15-16, year-to-date</u>

Brenda Kindred-Kipling presented this report. Ms. Kindred-Kipling stated that she has forty-two cases that are pending investigation. Ms. Kindred-Kipling stated that she is sending some cases out for review. Ms. Kindred-Kipling stated that last year almost all the twenty-two thousand dollars that are allocated in the investigative fund for case reviews were used. Ms. Kindred-Kipling stated that contract reviewers are very helpful in keeping the case load within the timeframe of the federal guidelines.

**5-D)** <u>Discussion regarding Appraisal Subcommittee's 2016 Compliance Review final findings</u>
Ms. Kindred-Kipling stated that the Appraisal Subcommittee (ASC) conducted an ASC compliance review of the Nevada appraisers regulatory program. Ms. Kindred-Kipling stated that the ASC awarded Nevada the ASC of excellence and that Nevada will remain on a two-year review cycle.

President Anderson congratulated and thanked Ms. Kindred-Kipling for her hard work. President Anderson stated that the excellence rating would not have been possible without Ms. Kindred-Kipling guidance in the Division.

The Commission echoed President Anderson's comment.

# 5-E) <u>Discussion regarding the Appraiser Qualifications Board Second Exposure Draft of the Proposed Changes to the Real Property Appraiser Qualification Criteria</u>

Ms. Kindred-Kipling stated that on January 1, 2015; changes to the Real Property Appraiser Qualification Criteria became effective. Ms. Kindred-Kipling stated that these changes were adopted by the Appraiser Qualifications Board (AQB) in December 2011. The AQB subsequently issued the first exposure draft of proposed changes to the criteria on May 18, 2016 which focused on five major topic areas:

- ➤ Alternative Track for Licensed Residential to Certified Residential
- ► Enhanced Practicum Curriculum
- Documenting Alternative Experience
- > "Trainee" Nomenclature
- ➤ Three-Year Supervisory Residency Requirement

Ms. Kindred-Kipling stated that the final exposure draft will focus on the Alternative Track for Licensed Residential to Certified Residential; the other four topics will be gone. Ms. Kindred-Kipling stated that whatever changes the AQB will decide to make they will require changes of the statutes and regulations.

### F) Discussion regarding the Appraisal Foundation's Corrective Courses for Appraisers

Ms. Kindred-Kipling stated that the Appraisal Foundation did a survey about the types of disciplinary cases that each state has, and came out with courses structured to cover common issues. Ms. Kindred-Kipling stated that these courses would be useful with the Appraisal Advisory Review Committee

(AARC). Ms. Kindred-Kipling stated that classes are reasonably priced and the scope of work almost always comes up during AARC.

Commissioner Hoonhout asked if Ms. Kindred-Kipling is recommending these courses specifically for AARC but not necessarily as continuing education credits.

Ms. Kindred-Kipling stated that she recommends that the Commission and the AARC use these courses as corrective action. Ms. Kindred-Kipling stated that she will not be opposed if these courses were approved for regular continuing education credits.

# G) For possible action: Discussion and decision regarding giving the Division authority to approve continuing education courses on behalf of the Commission

Ms. Kindred-Kipling stated that the Nevada Commission for Common-Interest Communities and Condominium Hotels and the Real Estate Commission delegated the authority to the Division to approve continuing education courses on behalf of the Commission. Ms. Kindred-Kipling stated that in case of denial of approval of a course, the sponsor has the ability to appeal the decision to the Commission. Ms. Kindred-Kipling stated the benefit of allowing the Division to approve courses is mainly the turnaround time that a sponsor has to wait before receiving approval or denial for a course.

Teralyn Thompson stated that the Real Estate Commission by regulation gave the Division the authority to approve continuing education courses on behalf of the Commission.

Commissioner Walsh moved to give the Division authority to approve continuing education courses on behalf of the Commission. Commissioner Huber seconded.

Motion carried unanimously.

# H) <u>Discussion regarding Division Advisory Opinion 16-02 and 16-03 issued June 1, 2016 regarding NAC 645C</u>

Ms. Kindred-Kipling stated that advisory opinion 16-02 stated that the Division is enforcing NAC 645C.080 requiring education and experience to be submitted to the Division before taking an examination. This opinion has been in effect since June 1, 2016.

Ms. Kindred-Kipling stated that advisory opinion 16-03 that was issued June 1, 2016 has been retired on July 1, 2016 when AQB rescinded that requirement. Ms. Kindred-Kipling stated that NAC 645C.108(1)(a) requires a supervisory appraiser to be certified for 3 years in Nevada before being eligible to supervise in Nevada. Ms. Kindred-Kipling stated that advisory opinion 16-03 is no longer active and the 3 years requirement in the State of Nevada is gone.

# I) For possible action: Discussion and decision regarding election of officers for FY 17

Commissioner Huber moved to appoint Commissioner Anderson as President. Commissioner Stefan seconded.

Motion carried.

Commissioner Huber moved to appoint Commissioner Walsh as Vice-Chair. Commissioner Stefan seconded.

Motion carried.

Commissioner Huber moved to appoint Commissioner Hoonhout as Secretary. Commissioner Stefan seconded.

Motion carried.

# 5-J) For possible action: Discussion and possible action to approve the minutes of May 17, 2016 meeting

Commissioner Walsh moved to approve the minutes of May 17, 2016 meeting. Commissioner Huber seconded.

Motion carried unanimously.

# 5-K) For possible action: Discussion and possible action on date, time, place and agenda items for upcoming meeting(s); including setting meeting dates for 2017

Teralyn Thompson proposed the following dates:

- February 7- 9, 2017
- > June 6 8, 2017
- > September 26- 28, 2017

# 5-L) <u>Discussion regarding Commissioners' speaking engagement requests</u>

None.

### 5-M) Commissioner Comment

President Anderson complimented Ms. Kindred-Kipling on the excellent rating on the ASC compliance review. President Anderson welcomed new Administrator Sharath Chandra.

### 6) Education:

### **CONSENT AGENDA**

### 6-1) Allterra

- a. 2016 Keynote/Industry Update/Big Data, 7 hours
- b. 2016 Fannie Mae Update/Appraiser Best Practice, 7 hours
- c. 2016 Appraiser Training 7 hours
- d. 2016 Keynote/Fraud/Regulatory Update, 7 hours

### 6-2) American Institute

- a. 2016 Studies in Appraising Green Residential Buildings, 7/8 hours
- b. Online FHA Appraising: Principles & Procedures, 7 hours
- c. Review Case Studies- Residential, 14/15 hours

## 6-3) Appraisal Institute – Northern Nevada Chapter

a. 2016 Annual Fall Conference, 6 hours

### 6-4) American Society of Farm Managers & Rural Appraisers

- a. ASFMRA 87th Annual Convention Day 1, 6 hours
- b. ASFMRA 87th Annual Convention Day 2, 3 hours
- c. Best in Business Ethics, 3 hours
- d. Introduction into Statistical Analysis for Appraisers, 8 hours
- e. Rapid Fire Case Studies 2016, 6 hours

### 6-5) CLE International

a. Eminent Domain, 12 hours

#### 6-6) Dynasty

a. Specialized Residential Topics, 20 hours

### 6-7) McKissock

- a. Workfile Documentation for Appraisers, 4 hours
- b. A Review of Disciplinary Cases: How to Avoid a Visit with the Licensing Board, 3 hours
- c. Introduction to Expert Testimony for Appraisers To Do or Not To Do, 4 hours
- d. Fannie Mae Appraisal Guidelines: Debunking the Myths, 4 hours
- e. Divorce and estate Appraisals: Elements of Non-Lender Work, 4 hours
- f. Residential Property Inspections for Appraisers, 7 hours
- g. The Income Approach: An Overview, 7 hours

### 6-8) OREP Education Network

a. FHA Appraisal Standards, 7 hours

Brenda Kindred-Kipling stated that the Division is recommending approval.

Commissioner Huber moved to approve the education consent agenda items 6-1 to 6-8. Commissioner Hoonhout seconded.

Motion carried unanimously.

# 6-9) American Society of Farm Managers & Rural Appraisers

a. Technology Applications in Appraisal – Google Earth, 8 hours

Brenda Kindred-Kipling stated that the Division is not recommending 8 hours approval for a Google Earth course. Ms. Kindred-Kipling stated that, based upon the parts in this course that are relevant for appraisal, the course should be approved for 3 hours credit.

Commissioner Huber stated that, after reviewing the material, the maximum amount of hours that she can approve the course for is 4 hours.

Commissioner Hoonhout moved to approve the course for 4 hours. Commissioner Huber seconded.

Motion carried unanimously.

### 7) <u>Public Comment</u>

None.

#### 8) Adjournment

The meeting adjourned at 11:40 a.m. on October 11, 2016.

Respectfully Yours,

Claudia Rosolen
Commission Coordinator