

REAL ESTATE DIVISION,
DEPARTMENT OF BUSINESS AND INDUSTRY,
STATE OF NEVADA

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SHARATH CHANDRA, Administrator,
REAL ESTATE DIVISION,
DEPARTMENT OF BUSINESS AND
INDUSTRY, STATE OF NEVADA,

Petitioner,

vs.

KEVIN J. LEE
A.0001849.CG

Respondent.

**STIPULATION FOR SETTLEMENT
OF DISCIPLINARY ACTION
PURSUANT TO NAC 645C.610(3)**

Case No. 2016-3294, AP17.013.S

**STIPULATION FOR SETTLEMENT OF DISCIPLINARY
ACTION PURSUANT TO NAC 645C.610(3)**

1. **PARTIES.** This Stipulation is entered into by and between the Petitioner, the REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA (the "Division"), by and through its Administrator, SHARATH CHANDRA (the "Administrator"), and the Respondent, KEVIN J. LEE (whether one or more hereinafter the "Respondent"), who at relevant times was licensed by the State of Nevada, license number(s) A.0001849.CG. This Stipulation is entered into upon mutual agreement with the decision of the Appraisal Advisory Review Committee (the "AARC"), which was reached at its informal conference held on September 25, 2017, in LAS VEGAS, NEVADA. Members of the AARC present were Richard Scott Dugan, James Martin and John Wright, CHAIR.

2. **AUTHORITY OF THE APPRAISAL ADVISORY REVIEW COMMITTEE.** The Appraisal Advisory Review Committee has authority to enter into this Stipulation with the Respondent pursuant to NAC 645C.610(3).

3. **FINDINGS.** The AARC has found that the Respondent, while licensed, certified or registered as a Nevada Appraiser, committed violations of chapter 645C of Nevada Revised

1 Statutes and Nevada Administrative Code and/or USPAP. A description of the conduct in which
2 these violations were committed is set forth in specificity in the Summary of Facts which is
3 attached hereto as EXHIBIT "A". The Administrator has the authority, pursuant to NAC
4 645C.600(2), to establish an advisory committee in an attempt to review this matter informally
5 and recommend a resolution.

6 4. **NO ADMISSION OF GUILT.** The Respondent does not admit or deny the findings of
7 the AARC, choosing to remain silent, but does agree that the findings establish a prima facie case
8 for the discipline set forth below and stipulates, subject to the limitations and conditions set forth
9 below, that the Division shall not be required to provide further evidence of such allegations.

10 5. **SETTLEMENT FOR DISCIPLINARY ACTION.** As set forth above, the AARC is
11 authorized under NAC 645C.610 to impose an administrative fine, upon final approval by the
12 Commission. The Division also has the option to file a complaint with the Nevada Commission of
13 Appraisers of Real Estate (the "Commission"). The Commission has the authority pursuant to NRS
14 645C.460(2)(d) to impose a fine of up to \$10,000 for each violation alleged or to suspend or revoke
15 the Respondent's certificate, license or registration card. The parties, however, desire to
16 compromise and settle the instant controversy, without a hearing, upon the following terms and
17 conditions:

18 a. **Committee Recommendations:**

19 Respondent to attend not less than seven hours of instruction in Report Writing
20 Complete not less than seven hours of instruction in Sales Comparison
21 Courses can be taken in class or online.

22 Courses are to be completed within one year of this Stipulation being approved by
23 the Appraisal Commission.

24 No Continued Education credit will be given for the courses taken in this
25 Stipulation.

26 RESPONDENT _____

27 b. **Public Record.** RESPONDENT and the DIVISION agree that by entering into this
28 Stipulation, the DIVISION does not concede any defense or mitigation RESPONDENT may assert,

1 and the parties agree that the DIVISION will not publicize the instant disciplinary matter, except as
2 set forth below, and that once this Stipulation is approved and fully performed, the DIVISION will
3 close its file in this matter. RESPONDENT understands that the public records law may require the
4 DIVISION to make available for inspection this Stipulation and related documents. RESPONDENT
5 also understands that the DIVISION may share the content of this Stipulation and related
6 documents with any governmental or professional organization or member of the public;

7 **c. Newsletter.** RESPONDENT and the DIVISION agree that the DIVISION, at its
8 discretion, may publish in the newsletter an anonymous summary of the alleged offenses of
9 RESPONDENT and the terms of this Stipulation, with the understanding of all parties that such
10 publication will not specifically name RESPONDENT or make reference to any other party;
11 RESPONDENT will be referred to only as a licensee in the State of Nevada. It is further
12 understood by the parties that this publication is for educational purposes only and to advise
13 other licensees of the alleged violation(s) and that disciplinary action has been taken by the
14 DIVISION;

15 **d. Failure to perform; hearing on complaint.**
16 RESPONDENT agrees that if the required education is not completed in the time allowed above,
17 RESPONDENT'S license will be automatically suspended until such time as the fine is paid and
18 continuing education requirement satisfied. The DIVISION may, at its option, rescind this
19 Stipulation and proceed with filing a Complaint before the Commission. Further, recovery actions
20 for the administrative fines may be instituted by the DIVISION;

21 **e. No other remedies.** Assuming Respondent complies with the terms of this
22 stipulation, the Division agrees not to pursue any other or greater remedies or fines in connection
23 with the conduct referenced in above unless stipulation is rescinded.

24 **f. Waiver by Respondent.** RESPONDENT agrees and understands that by entering
25 into this Stipulation, RESPONDENT is waiving his/her right to a hearing at which RESPONDENT
26 may present evidence in his/her defense and to be represented by counsel, to judicial review of
27 any adverse decision by the Commission, and to present his/her defense to a Commission which
28 has had no prior familiarity with the instant matter. The Commission members who review this
matter for approval of this Stipulation may be the same members who ultimately hear the
DIVISION'S complaint if this Stipulation is either not approved by the Commission or is not timely

performed by RESPONDENT; and

1 g. **Attorney fees and other costs.** Each party shall bear its own attorney's fees and
2 other costs not specifically set forth in this Stipulation.

3 6. **RELEASE.** In consideration of execution of this Stipulation, the Respondent for
4 himself/herself or his/her heirs, executors, administrators, successors, and assigns, hereby
5 release, remiss, and forever discharge the State of Nevada, the Department of Business and
6 Industry of the State of Nevada, the Division, and each of their members, agents, and employees
7 in their individual and representative capacities, from any and all manner of actions, causes of
8 action, suits, debts, judgments, executions, claims, and demands whatsoever, known and
9 unknown, in law or equity, that the Respondents ever had, now has, may have, or claims to have
10 against any or all of the persons or entities named in this section, arising out of or by reason of
11 the Division's investigation, this disciplinary action, or any other matter relating thereto.

12 7. **INDEMNIFICATION.** Respondent hereby indemnifies and holds harmless the State
13 of Nevada, the Department of Business and Industry of the State of Nevada, the Division, and
14 each of their members, agents, and employees in their individual and representative capacities
15 against any and all claims, suits, and actions brought against said persons and/or entities by
16 reason of the investigation of the allegations in the Complaint, this disciplinary action and all
17 other matters relating thereto, and against any and all expenses, damages, and costs, including
18 court costs and attorney fees, which may be sustained by the persons and/or entities named in
19 this section as a result of said claims, suits, and actions.

20 8. **COMMISSION APPROVAL OF STIPULATION NECESSARY.**
21 Once executed, this Stipulation will be filed with the Commission and will be put on the agenda
22 for approval at its meeting, which by Nevada law is a public meeting. At that time, the DIVISION
23 will recommend to the Commission approval of the Stipulation. RESPONDENT acknowledges and
24 agrees that the Commission may approve this Stipulation, reject it, or suggest different terms
25 which must be communicated to RESPONDENT and accepted or rejected by RESPONDENT before
26 any such amendment shall become effective.

27 9. **SETTLEMENT DISCUSSIONS NOT EVIDENCE.** Any statements made during the
28 discussions leading up to this Stipulation may not be discussed or introduced into evidence at any
hearing. However, evidence of the Respondent's failure to abide by the terms of any Stipulation

entered into with the Division, may be introduced at a hearing and used against the Respondent.

10. STIPULATION IS NOT A BAR TO FUTURE PROCEEDINGS. This Stipulation shall not constitute an estoppel, merger or bar to any administrative or civil proceeding by the Division with respect to any future matters or other matters that were not consideration for this Stipulation.

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SO STIPULATED.

Dated: 01/08/18

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

By: [Signature]
Sharath Chandra
Administrator

Dated: 9/25/2017

[Signature]
Respondent

ORDER

The foregoing Stipulation was approved by a vote of the Nevada Commission of Appraisers of Real Estate on _____.

DATED this _____ day of _____, 2018.

NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE

Commissioner



EXHIBIT “A”

State of Nevada
Department of Business & Industry
Real Estate Division
Appraisal Advisory Review Committee
1818 E College Pkwy
Carson City, Nevada 89706

COMMITTEE REPORT

Date of AARC meeting: August 25, 2017
Case No. AP17.013.S
Respondent: Kevin Lee
License No. A.0001849-CG
Appraisal Officer: Stacey Spoerl
Committee members: John Wright, Scott Dugan, James Martin

Allegations: The Respondent failed to report accurate bedroom count, as five bedrooms, in and casita with 3.5 bathrooms.

The Respondent failed to inspect all bedrooms.

Respondent gave the impression that he wanted to "stick with the old appraisal" and hung up on the borrower.

Respondent had previously appraised this property and did not document this information on the appraisal report.

Possible Violations:

USPAP Standard Rule 1-3 (a)(b)
USPAP Standard Rule 2-2 (x)
USPAP Scope of Work Rule
USPAP Standard Rule 1-6 (a)
USPAP Standard Rule 2-2 (a)(viii)

Findings:

The Committee determined that in the case of the appraisal review of a single family residence located at 2793 Rosenheartly Drive, Henderson, NV 89044 dated 08/16/2016, RESPONDENT violated the Uniform Standards of Professional Appraisal Practice in that he

Violations:

USPAP Scope of Work Rule

For each appraisal and appraisal review assignment, an appraiser must:

1. Identify the problem to be solved;
2. Determine and perform the scope of work necessary to develop credible assignment results;
3. Disclose the scope of work

An appraiser must properly identify the problem to be solved in order to determine the appropriate Scope of Work. The appraiser must be prepared to demonstrate that the scope of the work is sufficient to produce credible assignment results.

Standard Rule 1 In developing real property appraisal, an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete the research and analyses necessary to produce a credible appraisal.

Standard Rule 1-6

In developing a real property appraisal, an appraiser must:

- (a) Reconcile the quality and quantity of data available and analyzed within the approaches used.

Standards Rule 2-2

Each written real property appraisal report must be prepared under one of the following three options and prominently state which option is used: Self-Contained Appraisal Report, Summary Appraisal Report, or Restricted Use Appraisal Report.

(a) The content of an Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum:

(viii) summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained.

Committee recommendation:

The Committee recommended:

The RESPONDENT complete not less than 7 hours of instruction in education relating to Report Writing.

The RESPONDENT complete not less than 7 hours of instruction in education relating to Sales Comparison.

Courses can be taken in class or online.

The RESPONDENT has 12 months to complete all courses once the Stipulation has been approved by the Commission.

No course can be used for Continuing Education credit.

Respondent agreed.

This report is hereby submitted on this the 14 day of September, 2017.

Date of Signature: 29 Sept 2017

Appraisal Advisory Review Committee



John S. Wright Chairman