

1 REAL ESTATE DIVISION,  
2 DEPARTMENT OF BUSINESS AND INDUSTRY,  
3 STATE OF NEVADA

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5 SHARATH CHANDRA, ADMINISTRATOR )  
6 REAL ESTATE DIVISION, )  
7 DEPARTMENT OF BUSINESS AND )  
8 INDUSTRY, STATE OF NEVADA, )

9 Petitioner, )

10 vs. )

11 BRENT M. JONES )  
12 A.0001382-RES )

13 Respondent. )  
14 \_\_\_\_\_ )

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

Case No.: 2018-27, AP18.009.S

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

17 1. PARTIES. This Stipulation is entered into by and between the Petitioner, the REAL  
18 ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA (the "Division"),  
19 by and through its Administrator, SHARATH CHANDRA (the "Administrator"), and the Respondent,  
20 Brent M. Jones (whether one or more hereinafter the "Respondent"), who at relevant times was  
21 licensed by the State of Nevada, license number(s) A.0001382-RES. This Stipulation is entered  
22 into upon mutual agreement with the decision of the Appraisal Advisory Review Committee (the  
23 "AARC"), which was reached at its informal conference held on April 11, 2019, in LAS VEGAS,  
24 NEVADA. Members of the AARC present were Wendell Snow, Robert Scott Dugan and John  
25 Wright, CHAIR.

26 2. AUTHORITY OF THE APPRAISAL ADVISORY REVIEW COMMITTEE. The Appraisal  
27 Advisory Review Committee has authority to enter this Stipulation with the Respondent pursuant  
28 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 as the Committee Report. 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 and  
5 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:** The Committee recommends that the  
19 RESPONDENT complete:

20 Not less than 7 hours of Work File Documentation continued education

21 Not less than 14 hours Report Writing continued education

22 Not less than 7 hours Adjustments continued education

23 Not less than 7 hours Site Valuation continued education

24 For a total of 35 hours of continued education. The continued education may be  
25 taken in the classroom or on-line and will be completed within 1 year, of the  
26 Appraisal Commission President signing the Stipulated Agreement. None of the  
27 recommended continued education will count toward continued education credit.  
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1 In addition, it is also recommended the Real Estate Division, Appraisal Section audit  
2 the respondent's work product. Once respondent Jones has completed his  
3 continued education recommendations, respondent Jones will submit to the Real  
4 Estate Division, Appraisal Program Manager, his log of completed appraisals, for  
5 review. The Appraisal Program Manager will select not less than two appraisals to  
6 be reviewed by the Real Estate Division for accuracy. Respondent Jones will again 1  
7 year later submit his log of completed appraisals, for review by the Appraisal  
8 Program Manager. The Appraisal Program Manager will select not less than two  
9 appraisals to be reviewed by the Real Estate Division for accuracy. Respondent  
10 Jones will submit appraisals both electronically and hardcopy to the Division. The  
11 auditing of respondent Jones' appraisals will be for educational purposes only.

12 \_\_\_\_\_ RESPONDENT AGREED \_\_\_\_\_.

13 **b. Public Record.** RESPONDENT and the DIVISION agree that by entering into this  
14 Stipulation, the DIVISION does not concede any defense or mitigation RESPONDENT may assert,  
15 and the parties agree that the DIVISION will not publicize the instant disciplinary matter, except as  
16 set forth below, and that once this Stipulation is approved and fully performed, the DIVISION will  
17 close its file in this matter. RESPONDENT understands that the public records law may require the  
18 DIVISION to make available for inspection this Stipulation and related documents. RESPONDENT  
19 also understands that the DIVISION may share the content of this Stipulation and related  
20 documents with any governmental or professional organization or member of the public;

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

**d. Failure to perform; hearing on complaint.**

1 RESPONDENT agrees that if the required education is not completed in the time allowed above,  
2 RESPONDENT'S license will be automatically suspended until such time as the fine is paid and  
3 continuing education requirement satisfied. The DIVISION may, at its option, rescind this  
4 Stipulation and proceed with filing a Complaint before the Commission. Further, recovery actions  
5 for the administrative fines may be instituted by the DIVISION;

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

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

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

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

28 **7. INDEMNIFICATION.** Respondent hereby indemnifies and holds harmless the State  
of Nevada, the Department of Business and Industry of the State of Nevada, the Division, and

1 each of their members, agents, and employees in their individual and representative capacities  
2 against any and all claims, suits, and actions brought against said persons and/or entities by  
3 reason of the investigation of the allegations in the Complaint, this disciplinary action and all  
4 other matters relating thereto, and against any and all expenses, damages, and costs, including  
5 court costs and attorney fees, which may be sustained by the persons and/or entities named in  
6 this section as a result of said claims, suits, and actions.

7 **8. COMMISSION APPROVAL OF STIPULATION NECESSARY.**

8 Once executed, this Stipulation will be filed with the Commission and will be put on the agenda  
9 for approval at its meeting, which by Nevada law is a public meeting. At that time, the DIVISION  
10 will recommend to the Commission approval of the Stipulation. RESPONDENT acknowledges and  
11 agrees that the Commission may approve this Stipulation, reject it, or suggest different terms  
12 which must be communicated to RESPONDENT and accepted or rejected by RESPONDENT before  
13 any such amendment shall become effective.  
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State of Nevada  
Department of Business and Industry  
Real Estate Division  
Appraisal Advisory Review Committee  
1818 East College Parkway, Ste. 110  
Carson City, Nevada 89706

## COMMITTEE REPORT

Date of AARC Meeting                      April 11, 2019  
Case Number:                                2018-27, AP18.009.S  
Respondent:                                 Brent M. Jones  
License Number:                            A.0001382-RES  
Appraisal Officer:                         Jaye Lindsay  
Committee Members:                      John Wright Chairperson, Wendell Snow, and R. Scott Dugan

**Allegations:** A complaint was filed with the Real Estate Division on January 9, 2018. The complaint alleges the appraisal report provided is misleading. The complaint indicated subject is three years old, whereas the appraisal report stated it was constructed in 2017. The complaint stated the subject's listing indicated the subject was a model home and furnishings were being offered, with the appraisal report stating no value was given to personal property. The respondent utilized all new homes, or proposed construction as comparable sales. Comparable sale 4's address could not be located on a map. Several photos are inaccurate. Adjustments for a porch appear to be misstated. No explanation was provided for the upward adjustments for new construction upgrades. The complaint alleges the adjustments could be for personal property.

### **Alleged Violations:**

**Ethics Rule:** An appraiser: Line 240.... Must not willfully or knowingly violate the requirements of the Record Keeping Rule.

**Record Keeping Rule:** An appraiser must prepare a work file for each appraisal or appraisal review assignment. A work file must be in existence prior to the issuance of any report or other communication of assignment results. The work file must include: Line 314.... True copies of all written reports documented on any type of media. Line 319-321.... 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.

**Standard Rule 1:** In developing a 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 research and analyses to produce a credible appraisal.

1-1(a): be aware of, understand, and correctly employ those recognized methods and techniques that are necessary to produce a credible report.

1-1(c): not render appraisal services in a careless or negligent manner, such as by making a series of errors that, although individually might not significantly affect the results of an appraisal, in the aggregate affects the credibility of those results

**Standard Rule 1-4:** In developing a real property appraisal, an appraiser must collect, verify, and analyze all information necessary for credible assignment results.

1-4(b): When a cost approach is necessary for credible assignments results, an appraiser must:

1-4(b)(i): develop and opinion of site value by an appropriate appraisal method or technique.

1-4(b)(iii): analyze such comparable cost data as are available to estimate the difference between the cost new and the present worth of the improvements (accrued depreciation).

**Standard Rule 1-5:** When the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business:

1-5(b): analyze all sales of the subject that occurred within the three (3) years prior to the effective date of the appraisal.

**Standard Rule 1-6:** In developing a real property appraisal, an appraiser must:

1-6(a): reconcile the quality and quantity of data available and analyzed within the approaches used.

1-6(b): reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at the value conclusion(s)

**Standard Rule 2:** In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.

2-1(a): clearly and accurately set forth the appraisal in a manner that will not be misleading.

2-1(b): contain sufficient information to enable the intended users of the appraisal to understand the report properly.

**Standard Rule 2-2:** Each written real property report must be prepared under one of the following options and prominently state which option is used: Appraisal Report or Restricted Report.

2-2(a)(viii): Summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusions of the sales comparison approach, cost approach and income approach must be explained.

**Findings:**                    **Committee found violations of USPAP as follows:**

- Violation of the Record Keeping Rule
- Violation of USPAP Standard Rule 1-1 (b)
- Violation of USPAP Standard Rule 1-1 (c)
- Violation of USPAP Standard Rule 1-4 (b) (i)
- Violation of USPAP Standard Rule 1-4 (b) (iii)
- Violation of USPAP Standard Rule 1-6 (a)
- Violation of USPAP Standard Rule 1-6 (b)
- Violation of USPAP Standard Rule 2-1 (a)
- Violation of USPAP Standard Rule 2-1 (b)
- Violation of USPAP Standard Rule 2-2 (a) (viii)



**Committee Recommendations:**

Committee recommended the following continued education:

Not less than 7 hours of Work File Documentation continued education

Not less than 14 hours Report Writing continued education

Not less than 7 hours Adjustments continued education

Not less than 7 Hours Site Valuation continued education

For a total of not less than 28 hours of continued education. The continued education can be taken on line or in the classroom, to be completed within one (1) year of the Appraisal Commission President signing the stipulated agreement, and none of the recommended continued education will count towards continuing education credit

Committee also recommended the State audit the respondent Jones' work product. Once Respondent Jones has completed his continued education, within one year. Respondent Jones will submit to the State of Nevada Real Estate Division, Appraisal Program Manager, a log of appraisals completed. The Appraisal Program Manager will select at least two (2) appraisals to be reviewed by the State for accuracy. Respondent Jones will again in one (1) year later submit his job log to the Appraisal Program Manager to select at least two (2) appraisals for review for accuracy. Appraisals will be submitted electronically as well as hard copy. The auditing of the appraisals will be for educational purposes only.

Respondent verbally agreed

This report is hereby submitted on this 30<sup>th</sup> day of April 2019.

Appraisal Advisory Review Committee

  
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John S. Wright, AARC Chairperson