

LIPSON NEILSON P.C.
9900 Covington Cross Drive, Suite 120
Las Vegas, Nevada 89144
(702) 382-1500 FAX: (702) 382-1512

BEFORE THE COMMISSION OF APPRAISERS OF REAL ESTATE
STATE OF NEVADA

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

Petitioner,

vs.

BRETT J. PIERCE
(License No. A.0205486-CR),

Respondent.

CASE NO.: 2019-316 & AP19.026.N

RESPONDENT BRETT J. PIERCE'S
PETITION FOR REHEARING
PURSUANT TO NAC 645C.505 AND
REQUEST FOR STAY

FILED

OCT 20 2020

NEVADA COMMISSION OF APPRAISERS

Kelly Valadez

Respondent Brett J. Pierce ("Pierce"), by and through his attorneys at LIPSON NEILSON P.C., hereby submits this Petition for Rehearing Pursuant to NAC 645C.505 and Request for Stay ("Petition"). The Petition is made and based upon the pleadings and papers on file herein, the attached Memorandum of Points and Authorities, and any oral argument that the Nevada Commission of Appraisers of Real Estate, State of Nevada ("Commission") may entertain at a hearing on the Petition. The Petition is timely and is being filed "within 15 calendar days after receipt of the decision..." which Jaye-Alta Lindsey ("Lindsey"), a Division employee, provided to Pierce via email on October 9, 2020.

MEMORANDUM OF POINTS AND AUTHORITIES

1. INTRODUCTION

Pierce, who has been a practicing appraiser in the State of Nevada for more than a decade with no prior discipline of any kind, stands in the position of having his license permanently revoked unless the Commission grants this Petition for Rehearing. Such a result would be an injustice to Pierce and a clear violation of his due process rights.

Pierce resides at 590 Douglas Court, Incline Village, NV 89451. See Exhibit A, Declaration of Brett J. Pierce. Like most residents of Incline Village, Pierce does not receive mail at his domicile. *Id.* Pierce receives all mail at a post office box located at the U.S. Post Office located in Incline Village. His address is P.O. Box 6544, Incline Village, Nevada 89450.

1 *Id.* This is the address provided by Pierce to the Division, which is listed on the Division's
2 website. Pierce can and has received certified mail at this address. *Id.*

3 This matter arises from allegations raised against Pierce by the State of Nevada,
4 Department of Business and Industry, Real Estate Division ("NRED" or "The Division") with
5 respect to a January 11, 2019 appraisal prepared for Homeowners Financial Group USA with
6 respect to 2875 Idlewild Drive, Unit 108, APN 010-543-32 ("Appraisal"). A grievance was
7 received by the Division claiming the Appraisal contained mistakes resulting in the over-
8 valuation of the property. The initial investigation letter was mailed to the address listed for
9 Pierce on the Division's website, and Pierce promptly responded providing his job-file for the
10 assignment. Pierce also provided documentation showing that the property in question sold in
11 June 2019 for \$8,500 over the appraised value. Pierce never heard from the Division again until
12 September 30, 2020 when he received an email from Lindsey stating that the Division had been
13 trying to get in touch with him. He immediately reached out to Lindsey and subsequently
14 learned that the Division, through the office of the Attorney General, had filed a Complaint
15 against him and that a hearing had been held where the Commission voted to revoke his
16 license over alleged mistakes made in the Appraisal. Further investigation revealed that the
17 Division had sent certified notices to addresses different from Pierce's registered address and
18 that all certified mail was returned undelivered to the Division. Pierce never received any of the
19 pleadings.

20 If Pierce had received the Complaint, he would have retained counsel and filed a timely
21 Answer to the Complaint. He also would have produced documentary evidence and attended
22 the hearing to defend his opinion of value. Most importantly, even based on the allegations in
23 the Complaint, his license would likely not have been revoked over mistakes in a single
24 appraisal.

25 **RELEVANT PROCEDURAL HISTORY**

26 On April 23, 2019, Pierce received a letter of investigation from the Division regarding a
27 grievance received by Summit Funding, Inc. See **Exhibit B**. While the letter listed Pierce's
28 domicile address, the envelope was mailed to P.O. Box 6544. See **Exhibit C**. Pierce promptly

1 responded providing a copy of his job-file. See **Exhibit A**.

2 More than a year later, the Division filed a Complaint and Notice of Hearing dated
3 August 12, 2020. The Complaint alleged thirteen violations with respect to alleged errors in the
4 Appraisal and the Notice of Hearing stated that a hearing would be scheduled at the
5 Commission meeting scheduled between September 15-17, 2020. See **Exhibit D**. This
6 pleading was sent via certified mail to 590 Douglas Court, Incline Village, NV 89451 and 136
7 Juanita Dr., #4, Incline Village, NV 89405. See **Exhibit E**, *Findings of Fact and Conclusions of*
8 *Law ("FFCL")*, Finding of Fact #2. The first address is Pierce's domicile which does not receive
9 mail. See **Exhibit A**. The second address was an old business address he ceased using in
10 2008 which also did not receive mail. *Id.* Both certified letters were returned unclaimed to the
11 Division.

12 On September 15, 2020, the Commission held a hearing with respect to the Complaint
13 against Pierce. Pierce was not in attendance because he did not receive the Complaint, Notice
14 of Hearing or other pleadings sent by the Division. See **Exhibit A**. While Deputy Attorney
15 General Peter Keegan believes he left a voice mail for Pierce, Pierce does not recall receiving
16 this message. See **Exhibit A**. As a result of failing to receive the Complaint or Notice of the
17 Hearing, Pierce did not file an Answer, attend the Hearing or have an opportunity to otherwise
18 defend himself against the thirteen counts alleged in the Complaint.

19 After taking all allegations raised in the Complaint as true, the Commission convicted
20 Pierce in abstenia with respect to all thirteen violations and issued an Order permanently
21 revoking his license as of November 9, 2020 and imposing fines and costs in the amount of
22 \$8,189.17. Pierce first learned that the Division had filed a formal Complaint and held a hearing
23 on October 1, 2020 when he spoke to Lindsey in response to an email she had sent to Pierce
24 on September 30, 2020. He received a copy of the FFCL on October 9, 2020 via email from
25 Lindsey and has still not received a formal certified copy of the FFCL from the Division.

26 ///

27 ///

28 ///

1 **II. LEGAL ARGUMENT**

2 **A. NAC 645C.505(7) Permits a Rehearing to Be Granted Based on**
3 **Irregularity in the Proceedings Which is Warranted Since Pierce Did**
4 **Not Receive Actual Notice of the Complaint or Hearing**

5 NRS 645C.505(7) (Hearings; Procedures for rehearings) states as follows:

6 A rehearing may be granted by the Commission for any of the following
7 causes or grounds:

- 7 (a) Irregularity in the proceedings in the original hearing.
8 (b) Accident or surprise which ordinary prudence could not have guarded against....

8 In this case, a new hearing is essential to provide Pierce with adequate due process
9 under the law. NRS 645C.702(5) requires the Division to provide a Complaint, Notice of
10 Hearing and any evidence to be utilized at the hearing upon "...personal delivery to the
11 registrant, or upon mailing by certified mail to the registrant's last known address." In this case,
12 Pierce lives in Incline Village. Residents of this area generally do not have personal mail
13 delivery unless they apply for special permission and live on a specific route. Instead, residents
14 generally get their mail from mail services or through a post office box at the U.S. Post Office.
15 Pierce gets delivery of all mail at P.O. Box 6544, Incline Village, Nevada 89450. See **Exhibit 1**.
16 The U.S. Post Office allows receipt of certified mail at its post office boxes. The recipient
17 receives the certified mail card in their post office box, and must sign the card to receive their
18 letter. The card is then returned to the sender.

19 Pierce's post office box address is registered with the Division and appears in a search
20 of his name. The Division mailed the original investigation letter to Pierce's post office box. It
21 was only after the investigation concluded and more than a year had passed that the Attorney
22 General prepared and served the Complaint and Notice of Hearing to addresses other than the
23 post office box registered with the Division. We believe this was done based on an erroneous
24 belief by Attorney General staff that Pierce's post office box could not accept certified mail.
25 Since the U.S. Post Office does accept such certified mail, Pierce was within his due process
26 rights to receive formal pleadings at that address. Additionally, given that the underlying
27 investigators utilized this address for communication with Pierce when the grievance was
28

received, it was reasonable for him to believe that any further communications would be sent to the same mailing address. While it is our understanding that Deputy Attorney General Keegan left a voice mail message for Pierce prior to the hearing asking him to contact him, Pierce does not recall receiving such a voice mail. See **Exhibit A**. While we can certainly see how this would have happened, due process dictates that Pierce should not pay for it with his license.

B. Enforcement of the Order Should be Stayed Pending A Rehearing of the Matter.

NAC 645C.505(6) allows the Division to stay enforcement of the decision being appealed when such a request is filed timely and the grounds may entitle the Respondent to a rehearing. See NAC 645C.505(6). As demonstrated above, reasonable grounds exist based upon irregularities in the original hearing as well as accident or surprise which ordinary prudence could not have guarded against. Pierce lives in Incline Village. He, like most other residents, cannot receive mail at their homes. Pierce also works out of his home. His post office box can receive certified mail, and the Division had previously communicated with him through this address. He reasonably believed that the Division would continue to utilize this address for communications. While we understand why the Attorney General used the other addresses, this situation qualifies as an accident or surprise that could not have been reasonably guarded against.

///

///

///

///

///

///

///

1 **III. CONCLUSION**

2 Pierce respectfully requests that the Committee grant a Rehearing of this matter. We
3 understand that the Committee serves an important function by protecting the public from the
4 abuses. In this case, an appraiser will be permanently deprived of his license without a chance
5 to reasonably defend himself absent a rehearing. We ask that the Committee reconsider their
6 decision and allow Pierce the chance to be heard and protect his livelihood.

7 Dated this 20th day of October, 2020.

8 LIPSON NEILSON P.C.

9 *Janeen V. Isaacson*

10 By: _____

11 JANEEN V. ISAACSON (NV Bar No. 6429)
12 9900 Covington Cross Drive, Suite 120
13 Las Vegas, Nevada 89144
14 (702) 382-1500 - Telephone
15 (702) 382-1512 – Facsimile
16 JIsaacson@lipsonneilson.com
17 Attorneys for Respondent

EXHIBIT “A”

EXHIBIT “A”

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

2

3
4
5

CASE NO.: 2019-316 & AP19.026.N

6

7

8

9

10
11
12

13

14

15
16
17

18
19
20

21

22

23

24

25
26
27
28

6. My post office box was on file with the State of Nevada, Department of Business and Industry, Real Estate Division ("NRED"). NRED also had my current email address and telephone number on file. This information is listed for my contact information on NRED's website.

7. I used to have an office at 136 Juanita Drive, #4, Incline Village, NV 89405, but had ceased doing business at address on or about October, 2008. Since that time, I have worked out of my home and receive all business communications through my postoffice box.

8. On or about January 11, 2019, I prepared an appraisal for Homeowners Financial Group USA with respect to 2875 Idlewild Drive, Unit 108, APN 010-543-32 ("Appraisal") valuing the property at \$359,000.

9. On or about March 25, 2019, Summit Funding, Inc., the company to which the loan and Appraisal were transferred, filed a grievance with NRED regarding my appraisal, claiming that the value was "...significantly above the actual fair market value."

10. On April 23, 2019, NRED emailed a letter to me stating they had received the grievance and requested a copy of my job file for the Appraisal. I timely complied.

11. After providing a my work-file and response to NRED, I subsequently learned that the property in question sold for \$367,500 on or about June 21, 2019, which was \$8,500 in excess of the Appraisal. I subsequently provided this information to NRED to supplement my response. A copy of the MLS listing information has been attached hereto as Exhibit 1.

12. On or about September 30, 2020, I received an email from Jaye-Alta V. Lindsay ("Lindsay") of NRED stating that NRED had been trying to get in touch with me about my 2019 grievance and that I should contact her as soon as possible. I received this email late in the day, and immediately advised that I would contact her the next day. Copies of these referenced emails are attached hereto as Exhibit 2.

13. On October 1, 2020, I spoke with Lindsay. She informed me that a formal

LIPSON NEILSON P.C.
9900 Covington Court, Suite 120
Las Vegas, Nevada 89144
(702) 382-1500 FAX (702) 382-1512

1 Complaint had been filed against me and that a hearing had taken place on September
2 15, 2020. She divulge the results of the hearing at that time, and stated that a Order
3 would be forthcoming.

4 14. I advised Lindsey that I had never received a copy of the Complaint and Notice of
5 Hearing, Notice of Complaint and Obligation to Respond, and the Notice of Documents
6 at any time prior to the September 15, 2020 hearing.

7 15. Lindsey advised me that the Attorney General had sent copies of these
8 documents certified mail to my physical address at which I do not receive mail and my
9 former office address. She also indicated that all of the certified letters had been
10 returned undelivered to the Attorney General evidencing I had not received any of these
11 notices.

12 16. I continued to follow-up with Lindsey over the next week and subsequently
13 received a copy of the Findings of Fact, Conclusions of Law and Order of the
14 Commission ("FFCL") on October 9, 2020. It was at this time that I learned that the
15 Commission had decided to revoke my appraisal license.

16 17. All communications during the investigation process were mailed to P.O. Box
17 6544, Incline Village, Nevada 89450. I have retained the original envelope from the
18 letter of investigation, a photograph of which is attached hereto as Exhibit 3. The
19 original envelope is available upon request for inspection. I believed that all further
20 communications would similarly be sent to this mailing address as this is the address
21 listed for me on NRED's website. When I received nothing further, I believed that the
22 matter had been concluded.

23 18. I had no knowledge that NRED forwarded this grievance to the Attorney General
24 or that a Complaint had been filed against me. If I had received the Complaint or any of
25 the subsequent notices, I would have retained counsel and promptly submitted an
26 Answer to the Complaint. I would also have attended the Hearing on this matter.

27 19. I have been told that Deputy Attorney General Peter K. Keegan left me a voice
28 mail message at some point prior to the September 15, 2020 hearing asking me to

1 contact him immediately about an impending hearing. While I do not question Mr.
2 Keegan's representation, to the best of my knowledge, I did not receive or hear the
3 content of this voice mail.

4 20. Once I received the FFCL, I retained the services of Janeen V. Isaacson, Esq. of
5 the law firm of Lipson Neilson to represent me in this case.

6 21. I now understand that the Attorney General believes my address to be
7 insufficient pursuant to the Nevada Revised Statutes. I believed my post office box
8 address would be sufficient for these purposes given the generally known limitations of
9 my domicile and prior communications to and from NRED at that address. My post
10 office box is located at the United States Postal Office in Incline Village, which does
11 allow for the delivery of certified mail. The card is placed in my postoffice box and I
12 return the signed card to the post-office staff who then present the attached
13 correspondence and mail back the receipt to the sender. I have received certified mail
14 in this fashion on several occasions.

15 22. I humbly request that the Commission provide me with an opportunity to defend
16 myself against the charges brought against me in the Complaint by granting my Petition
17 for Rehearing pursuant to NAC 645C.505. I have nothing but respect for NRED and the
18 Commission and would never have intentionally wasted its valuable time and resources.

19 23. If I am afforded an opportunity to defend myself, I believe that I will be able to
20 obtain a result that would not result in the permanent revocation of my appraisal license.

21 24. If the Division denies my Petition for Rehearing, I will be permanently deprived of
22 my license to practice in the State of Nevada. This will deprive me of my ability to
23 support my family.

24 25. If the Division denies my Petition for Rehearing, my reputation in the community
25 will suffer irreparable harm, for which monetary damages will be insufficient to remedy.

26 26. My clients rely on my services and will be harmed by my inability to practice.

27 27. The Division will not be harmed by the requested Petition and Request for Stay.

28 28. My years of unblemished practice as an appraiser in the community

1 demonstrates that I am not a danger to the public.

2 I declare under penalty of perjury in the State of Nevada.

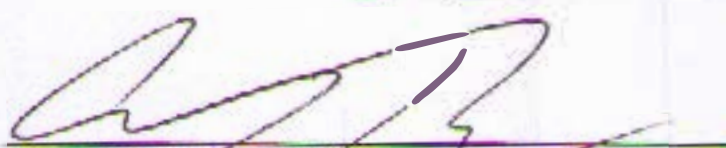
3 Executed on the 20 day of October 2020, at Incline Village, Nevada.

6 BRETT J. PIERCE

8 By: 

10 SUBSCRIBED AND SWORN TO ME

11 before me on this 20 day of October, 2020

12 
13 NOTARY PUBLIC for WASHOE
14 COUNTY STATE OF NEVADA

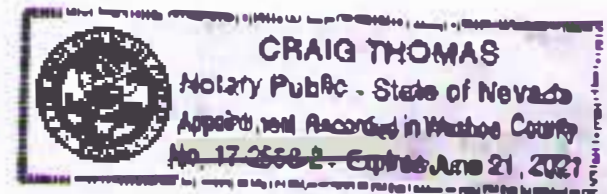


EXHIBIT “1”

EXHIBIT “1”

MLS All Fields

0522



MLS # 190007223

Status SOLD

Asking Price \$359,900

Class Residential

Type Condo/Townhouse



Address 2875 Idlewild Dr.

Unit # 108

City Reno

State NV

Zip 89509

Area 160Reno-Old Southwest

Dwelling Type Condo

UnBranded Virtual Tour

Property Information

Bedrooms # 2

Baths #Full or 3/4 2

Half Baths 1

Garage 2

Carport 0

Total Parking Cap. 2

Stories 2 Story

Unit Level Ground Floor

Total Living Space 1258

Source of SqFt Assessor

Price per SQFT 286.09

Year Built 1987

Acreage 0.01

Construction 2x6 Exterior

Xstreet/Directions Allen/Shamrock/Idlewild

County Washoe

Parcel # 01054332

Taxes \$ \$1,432.00

Assessment \$ 0.00

Within City Limits Yes

Zoning Actual pud

Source of Zoning Assessor

Horses Okay No

Elementary School Beck

Middle School Blithinghurst

High School Reno

IPES

Coverage

Common Interest Ownership Yes

Attached Common Wall Yes

Water Rights No

The HOA fields have been renamed to CIC and moved to Page 3 of this report

Available for Showing

CC/R Restrictions

Yes

Unconverted Manuf. Housing Only

Serial #

Width

HUD #

Skirting

Personal Property Taxes

Agent / Showing Information

Agent Karen Greathouse - Cell: 775-677-4663

Agent E-mail

Listing Office 1 Greathouse Real Estate

775-786-1010

Listing Agent 2

Listing Agent 2 E-mail

Listing Office 2

Showing Instructions ShowingTime

To Show Contact online

Occupied By Vacant

Contact Name Office

Contact Phone 775-786-1010

Listing Information

Comm to BB 2.50 **CBB \$ or %**

Variable Rate No

Sliding Scale No

Sale/Lease For Sale

Listing Type Exclusive Right

Possession COE

Limited Service Listing No

Special Conditions of Sale None

Fannie Mae First

HUD No

Original Price \$359,900

Days on Market 34

Days On MLS 34

Cumulative DOM 34

Cumulative DOMLS 34

Agent Hit Count

Client Hit Count

Listing Date 5/18/2019

Input Date 5/18/2019 2:18 PM

Expiration Date

Update Date 6/25/2019

Status Date 6/25/2019

Price Date 6/25/2019

HotSheet Date 6/25/2019

Off Market Date 6/21/2019

Internet Display Options

Internet Display Y

Automated Valuation

Commentary/Reviews



190007223

10/15/2020

Page 1 of 3

Features

GARAGE TYPES	Attached	FLOOR COVERING	Carpet, Ceramic Tile, Vinyl Tile
HOA AMENITIES	Addl Parking, Common Area Maint, Exterior Maint, Insured Structure, Landsc Maint Full, Pool, Snow Removal, Partial Utilities	FOUNDATION	Concrete - Crawl Space
ADJOINS	Common Area, River	EXTERIOR	Wood Siding
VIEW	Yes, Mountain, Park, Trees	ROOF	Pitched, Composition - Shingle
PERSONAL	None, Storage Shed	HEATING/COOLING	Natural Gas, Central Refrig AC, Programmable Thermostat
PROPERTY INCL		WATER HEATER	Natural Gas
APPLIANCES INCL	Gas Range - Oven	WINDOWS	Double Pane
PSNL PROP		FIREPLACE	Yes, One, Fireplace
INTERIOR	Smoke Detector(s), SMART Appliance 1 or More	UTILITIES	Electricity, Natural Gas, City - County Water, City Sewer, Cable, Telephone, Internet Available, Cellular Coverage Avail
FIXTURES			Fully Landscaped
LIVING ROOM	Family Rm Combo, Great Room, Fireplace/Woodstove/Pellet, Combo/Dining Room	LANDSCAPED	Full Sprinklers, Automatic
DINING ROOM	Kitchen Combo, Living Rm Combo, Family Rm Combo	SPRINKLERS	None
FAMILY ROOM	None	FENCED	Yes, Deck
KITCHEN	Built-In Dishwasher, Garbage Disposal, Microwave Built-In, Pantry, Breakfast Bar, Breakfast Nook, Single Oven Built-In, EnergyStar APPL 1 or More, SMART Appliance 1 or More	PATIO/DECK	None - NA
		EXTERIOR FEATURES	No
MASTER	None, Walk-In Closet, High Ceiling, Ceiling Fan, Tub /Shower Combo, 2nd Master Bdrm (Or more)	WATER TEST	Private
BEDROOM		ACCESS	Level
LAUNDRY AREA	Yes, Garage	TOPOGRAPHY	Conventional, FHA, VA, Cash, Exchange 1031
OTHER ROOMS	Yes, Basement - Finished	OWNER(S) MAY SELL	

MLS Remarks

Rolling on the River this wonderful condo is perfect, designer cabinets throughout, luxury flooring, recessed lighting, custom stair railing. The Architectural Digest Kitchen has it all built-in wine rack, custom refrigerator pantry, plate rack and more all soft close draws. Full stainless steel appliances granite counters and eat in bar. The home offers full crown molding and the living room fireplace has custom surround. The home offers a bonus room in the attached 2 car garage and full laundry room.

Extended Remarks

The double master bedrooms are spacious with high ceiling's and ceiling fans. The are separate and private with full attached bathrooms and generous closets. The craftsmanship of the finishes is spectacular. The front entrance is also very private and offers a huge deck with serene view of the park.

Private Remarks

*** unit was appraised 1/11/19 Please send your offers to Karen@KarenGreathouse.com.

Sold Information

Selling Agent Deborah L Bennington - 775-335-5633
Selling Office 1 Dickson Realty - Somerset - 775-746-7222
Selling Agent 2
Selling Office 2

Sold Price \$367,500
Sold Price per SqFt 292.13
How Sold Cash
Contract Date 5/21/2019
Closing Date 6/21/2019

190007223

10/15/2020

Page 2 of 3

CIC Section

CIC	Yes
CIC Dues	215.00
How Billed	Monthly
Transfer Fee	150.00
Other Fee	0.00
Setup Fee	150.00
Special Assessments	0.00

CIC Mgmt Company Name and Phone CRMG

CIC 2 Section

CIC 2	N
CIC 2 Dues	
How CIC 2 Billed	
CIC 2 Transfer Fee	
CIC 2 Setup Fee	
CIC 2 Other Fee	
CIC 2 Special Assessments	

CIC 2 Mgmt Company Name and Phone

CIC 3 Section

CIC 3	
CIC 3 Dues	
How CIC 3 Billed	
CIC 3 Transfer Fee	
CIC 3 Setup Fee	
CIC 3 Other Fee	
CIC 3 Special Assessments	

CIC 3 Mgmt Company Name and Phone

CIC Totals

Average Monthly Fee	215.00
Total Transfer Fees	150.00
Total Setup Fees	150.00
Total Special Assessments	0.00
Total Other Fees	0.00



County Last Updated: 10/14/2020

Property Location

Address: 2875 IDLEWILD DR APT 108	City: RENO	Zip: 89509-1191
APN#: 01 054332	Use Code: Condominium, Pud	County: Washoe
Tract: IDLEWILD RIVERFRONT CONDOS 2	Census Tract: 11.01	Zone: MF30
Map Page/Grid: /	Legal Desc: IDLEWILD RIVERFRONT 2 LT 10B BLK A	
Total Assessed Value: 48,972	Tax Amount: 1,604.00	
Percent Improvement: 0.60	Tax Year / Assessor Year: 2020 / 2020	

Current Owner Information

Current Owner: LEONARD, JAMIE C TRUST	Owner Address: 2130 DUTCH DRAFT DR
City, State, Zip: RENO, NV, 89521-4385	Owner Occupied: No
Last Transaction: 06/21/2019	Deed Type: grant deed/deed of trust
Amount: 367,500	Document: 0004922902

Last Sale Information

Transferred From: NEVADA BUILDING & DEV LLC	Seller Address:
Recording / Sale Date: 06/21/2019 / 06/20/2019	Prior Recording / Sale Date: 03/29/2016 / 03/24/2016
Most Recent Sale Price: 367,500	Prior Sale Price: 139,000
Document Number: 0004922902	Prior Document No.: 0004574481
Document Type: grant deed/deed of trust	Prior Document Type: grant deed/deed of trust

Lender Information

Lender:	Full/Partial:
Loan Amount / 2nd Trust Deed: /	Loan Type: conventional

Physical Information

Building Area: 1,259	# of Bedrooms: 2	Lot Size Sqft / Acreage: 44 / 0.00
Additional: 0	# of Bathrooms: 3.00	Year Built / Effective: 1987 / 1987
Garage: 456	# of Stories: 2	Heating: Forced Air
First Floor: 636	Total Rooms: 0	Cooling: Central Air
Second Floor: 623	# of Units: 1	Roof Type: Composition Shingle
Third Floor: 0	Garage/Carport: Attached Garage	Construction/Quality: Wood Frame / 6
Basement Finished: 0	Fireplaces: 1	Building Shape:
Basement Unfinished: 0	Pool/Spa: No	View:

EXHIBIT “2”

EXHIBIT “2”

Renee Rittenhouse

To: Janeen Isaacson
Subject: RE: Email chain with REDNV

From: Brett Pierce <mailto:brett@gapappraisals.com>
Sent: Thursday, October 15, 2020 5:59 AM
To: Janeen Isaacson <mailto:jisaacson@lipsonneilson.com>
Subject: Email chain with REDNV

Here is the email chain
Brett Pierce

Begin forwarded message:
From: Brett Pierce <mailto:brett@gapappraisals.com>
Date: October 14, 2020 at 11:13:40 AM PDT
To: Teralyn Lewis <mailto:teralyn.lewis@red.nv.gov>
Subject: Re: Important
Thank you! I will get a request to you this week, not sure how formal it needs to be.
Brett Pierce

On Oct 13, 2020, at 3:37 PM, Teralyn Lewis <mailto:teralyn.lewis@red.nv.gov> wrote:

Hi Mr. Pierce,
Please send me an email separate from this email requesting a re-hearing. Thank you,

Teralyn Lewis
Administration Section Manager
State of Nevada Department of Business and Industry
Real Estate Division
3300 W. Sahara Avenue, Suite 350
Las Vegas, Nevada 89102
Phone: 702-486-4036
Email: <mailto:Teralyn.Lewis@red.nv.gov>
<image001.jpg>

From: Jaye-Alta V. Lindsay <mailto:jvlindsay@red.nv.gov>
Sent: Tuesday, October 13, 2020 2:38 PM
To: Brett Pierce <mailto:brett@gapappraisals.com>
Cc: Teralyn Lewis <mailto:teralyn.lewis@red.nv.gov>
Subject: RE: Important

Good Afternoon Brett,

I was attending the AARC Meeting this morning. You would mail your request to Teralyn Lewis, Administration Section Manager at 3300 West Sahara Ave., Suite 350, Las Vegas, Nevada 89102.

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspectors of Structures & Energy Auditors Program Manager

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading, copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

From: Brett Pierce <<mailto:brett@gapappraisals.com>>
Sent: Tuesday, October 13, 2020 11:54 AM
To: Jaye-Alta V. Lindsay <<mailto:jvlindsay@red.nv.gov>>
Subject: Re: Important

Thanks, can you tell me who in particular I address the letter to and to whom I mail it? Carson office?
Brett Pierce

On Oct 12, 2020, at 1:02 PM, Jaye-Alta V. Lindsay <<mailto:jvlindsay@red.nv.gov>> wrote:

Brett,

NAC 642C.505

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspectors of Structures & Energy Auditors Program Manager

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading, copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

From: <mailto:brett@gapappraisals.com> <<mailto:brett@gapappraisals.com>>
Sent: Monday, October 12, 2020 12:41 PM
To: Jaye-Alta V. Lindsay <<mailto:jvlindsay@red.nv.gov>>

Subject: RE: Important

Thank you, can you please tell me what I need to do to file for a re-hearing?
Brett Pierce

----- Original Message -----

Subject: RE: Important
From: "Jaye-Alta V. Lindsay" <mailto:jvlindsay@red.nv.gov>
Date: Thu, October 08, 2020 2:06 pm
To: Brett Pierce <mailto:brett@gapappraisals.com>
Good Afternoon Brett,

The letter has not been finalized, as soon as it is, I will email you a copy.

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspectors of Structures & Energy Auditors Program Manager

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading, copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

From: Brett Pierce <mailto:brett@gapappraisals.com>
Sent: Thursday, October 8, 2020 10:11 AM
To: Jaye-Alta V. Lindsay <mailto:jvlindsay@red.nv.gov>
Subject: Re: Important

Hi Jaye,
We spoke last Thursday regarding a complaint that was filed, you were going to email me a copy of the letter that was going to be sent out Monday. I haven't received anything yet, just wanted to touch base and make sure that I did not miss it.
Brett Pierce

On Oct 1, 2020, at 10:05 AM, Brett Pierce <mailto:brett@gapappraisals.com> wrote:
No problem
Brett Pierce

On Oct 1, 2020, at 10:03 AM, Jaye-Alta V. Lindsay <mailto:jvlindsay@red.nv.gov> wrote:

Brett,

2pm would work better, thanks.

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspectors of Structures & Energy Auditors Program Manager

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading, copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

From: Brett Pierce <<mailto:brett@gapappraisals.com>>
Sent: Thursday, October 1, 2020 10:01 AM
To: Jaye-Alta V. Lindsay <<mailto:jvlindsay@red.nv.gov>>
Subject: Re: Important

Just getting on a plane, thought you were calling me. Will call you about 1 o'clock if that works?
Brett Pierce

On Oct 1, 2020, at 9:42 AM, Jaye-Alta V. Lindsay <<mailto:jvlindsay@red.nv.gov>> wrote:

Hi Brett,

Did you want to call me?

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspectors of Structures & Energy Auditors Program Manager

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading,

copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

From: Brett Pierce <mailto:brett@gapappraisals.com>
Sent: Thursday, October 1, 2020 8:36 AM
To: Jaye-Alta V. Lindsay <mailto:jvlindsay@red.nv.gov>
Subject: Re: Important

Sure
Brett Pierce

On Oct 1, 2020, at 7:45 AM, Jaye-Alta V. Lindsay <mailto:jvlindsay@red.nv.gov> wrote:

Good Morning Brett,

I am in a meeting first thing this morning can you call about 9:30am.

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspectors of Structures & Energy Auditors Program Manager

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading, copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

From: Brett Pierce <mailto:brett@gapappraisals.com>
Sent: Wednesday, September 30, 2020 9:25 PM
To: Jaye-Alta V. Lindsay <mailto:jvlindsay@red.nv.gov>
Subject: Re: Important

This is the first I have heard. I will call first thing tomorrow morning
Brett Pierce

On Sep 30, 2020, at 3:54 PM, Jaye-Alta V. Lindsay <<mailto:jvlindsay@red.nv.gov>> wrote:

Good Afternoon Brett Pierce,

The Real Estate Division has been trying to get in touch with you regarding the complaint filed against you in 2019. It is imperative you contact the Division as soon as possible.

Thank you for your time
Jaye Lindsay, CCM
State of Nevada
Appraisal, Inspector of Structures & Energy Auditor Program Manager
Department of Business and Industry
Real Estate Division
1818 East College Parkway, Suite #110
Carson City Nevada 89706
775-684-1905
<mailto:jvlindsay@red.nv.gov>
<http://www.red.nv.gov/>

All Real Estate Division Offices are currently closed to the public. For current information please check our website at <http://www.red.nv.gov/>

NOTHING IN THIS E-MAIL SHOULD BE CONSIDERED A LEGAL OPINION OR LEGAL ADVICE.

CONFIDENTIALITY NOTICE: This communication contains information which may be legally privileged, or otherwise protected by law from disclosure, and is intended only for the use of the addressee/s named. If you are not the addressee, or the person responsible for delivering this to the addressee/s, you are hereby notified that reading, copying, or distributing this communication is prohibited. If you have received this communication in error, please notify the sender immediately by calling 775-684-1905. Thank you.

EXHIBIT “3”

EXHIBIT “3”

3823

NEVADA REAL ESTATE DIVISION
ATTN DANIEL WALSH
1818 E COLLEGE PARKWAY STE 110
CARSON CITY NV 89706

Hasler

FIRST-CLASS MAIL

04/24/2019

US POSTAGE

\$01.90⁰⁰



ZIP 89701
011012602121

BRETT J. PIERCE
P.O. BOX 6544
INCLINE VILLAGE, NV 89450

EXHIBIT “B”

EXHIBIT “B”

STEVE SISOLAK
Governor

STATE OF NEVADA



MICHAEL BROWN
Director

SHARATH CHANDRA
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION

www.red.nv.gov

April 23, 2019

Brett J. Pierce
590 Douglas Court
Incline Village, NV 89451

Re: Case: NRED vs. PIERCE
Case No.: 2019-316, AP19.626.N
Subject Address: 2875 Idlewild Drive, Reno, NV 89509

Certified Mail: 7016 2070 0000 4870 6493

Dear Brett J. Pierce:

The Nevada Real Estate Division has received a complaint against you and has opened a case for investigation. A copy of the complaint is enclosed for your review and response.

The investigation of this case has been assigned to me. Please direct all correspondence related to this case to my attention. Ensure you label all correspondence with the case name and number.

Please provide a written response and a hard copy of the appraisal report including the entire workfile, and any supporting documentation on or before May 8, 2019.

- Should you be in possession of any other items you feel are relevant to this investigation, please provide those at this time.
- Do not send CD or flash drives. All documents should be printed on legal size paper.
- Do not staple or spiral bind any of the documents.
- Please send documentation to my attention, with your case number to the Carson City Office address.

Upon review of the requested documents, the undersigned may be contacting you for an interview.

Thank you in advance for your anticipated cooperation. Should you have any questions, please feel free to contact me at (775) 684-1902 or email at dwalsh@red.nv.gov.

Sincerely,

A handwritten signature in cursive script that reads "Daniel Walsh".

Daniel Walsh
State of Nevada
Real Estate Division
Appraisal Compliance/Audit Investigator II

CC: P.O. Box 6544, Incline Village, NV 89450

486-4033 BUSINESS REAL ESTATE

e-mail: realest@red.nv.gov * <http://red.nv.gov/>

(Please Print or Type)

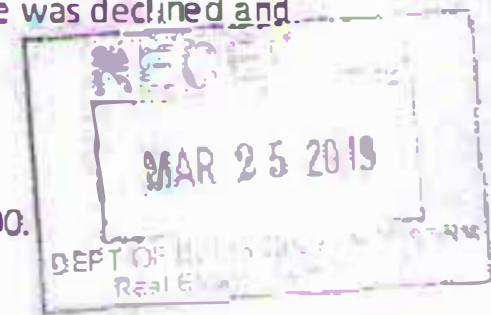
514

EXPLAIN FULLY: *(Describe events in the order in which they happened, if possible. Please include dates and names.)*

Please see the attached appraisal review prepared by one of Summit's staff appraisers, noting significant irregularities in an appraisal prepared by Brett Pierce. The appraisal (copy attached) prepared by Mr. Pierce indicates a property value of \$359,000, believed to be significantly above the actual fair market value. The attached notes discuss the particular issues identified in the appraisal by Summit.

**SUBMIT COMPLETED FORM TO COMPLIANCE
3300 W. SAHARA AVE., SUITE 350, LAS VEGAS, NEVADA 89102**

We are in receipt of an appraisal completed by Brett Pierce. The appraisal and the loan were transferred to Summit Funding. The appraisal was originally completed for Homeowners Financial Group USA, done through the AMC called Appraisal Mark. Please note that this file was declined and never funded in our system.



The effective date of the appraisal was 1/11/19 and the appraised value is \$359,000.

In reviewing the appraisal, there were several concerns.

The subject is a 32 year old home that has been remodeled.

The appraiser used 3 closed sales from the subject's complex. In addition, he used 3 closed comps from other condo complexes (2 of these were new construction). A current listing was also provided from outside the subject's complex (new construction).

There was a current listing in the subject's complex that was not used in the appraisal nor was it mentioned anywhere in the appraisal. 2875 Idlewild Drive #60 sold after the effective date, however, was a current listing as of the effective date of the appraisal. It is in similar remodeled condition. It sold for \$275,000. This property was originally listed on 8/20/18 for \$375K and the price was lowered several times. Latest listing price was \$280K. This was the listing price as of the effective date of the appraisal. It closed escrow on 1/30/19.

Appraisal Comp #1: on line interior photos show worn and dated finishes. The appraiser made large adjustments for condition and quality. An adjustment appears to be warranted, however the adjustments seem to be excessive (\$54,000 between the two).

Comp #3 was advertised as "use your imagination, it's a diamond in the rough". No interior photos were found on line. Adjustments for condition and quality warranted, however, seem to be excessive (\$56,000 between the two). Also, the listing indicates "Beautiful setting right on the river with the Riverwalk path at your door. View the rafts go by from the front porch" so maybe a negative view adjustment was warranted. I can't be sure, however, since no interior photos were found on line.

Comp #4 on line commentary indicates that it overlooks the Truckee River. No mention was made nor was this comp adjusted for the view. This unit has a remodeled kitchen but baths look original. Sale

price \$281K. The appraiser made a positive \$28,000 adjustment for quality and a positive \$14,000 adjustment for condition.

Our Quality Control team found some other comparables in the subject's complex.

2875 Idlewild Drive #226. Sale price \$240,000. Sale date 1/28/19 (after effective date). I was unable to find anything on line for this unit.

2875 Idlewild Dr #35; had a river view (would be adjusted downward for that) and inferior condition (would be adjusted upward for that). Sold for \$279,000. Date of sale: 1/7/19.

2875 Idlewild Dr #317. Sale price \$240,000. Sale date 6/20/18. No information found on line for this unit.

2875 Idlewild Dr #117; sold for \$220,000 on 6/14/18. It was in original condition according to on line photos.

1004MC indicates that there were 37 comparables that sold in the prior 12 months (4 in the subject's project). It does not seem appropriate that comps 2, 6 and 7, all new construction, should be utilized as comparables. Appraiser should have provided a comp in similar condition and quality. All comps were adjusted up or down for condition and quality and these adjustments are not supported.

There is no support for the value opinion of \$359,000. All comps in the subject's project were adjusted upward. The highest sale in this project that we could find in the prior 12 months sold for \$285,000. It was used as comp #3 in the appraisal. Therefore \$359,000 would not be supported.

EXHIBIT “C”

EXHIBIT “C”

3823

NEVADA REAL ESTATE DIVISION
ATTN DANIEL WALSH
1818 E COLLEGE PARKWAY STE 110
CARSON CITY NV 89706

Hasler

FIRST-CLASS MAIL

04/24/2019

US POSTAGE

\$01.90⁰⁰



ZIP 89701
011012602121

BRETT J. PIERCE
P.O. BOX 6544
INCLINE VILLAGE, NV 89450

EXHIBIT “D”

EXHIBIT “D”

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,
7 STATE OF NEVADA,

8
9 Petitioner,

10 vs.

11 BRETT J. PIERCE
12 (License No. A.0205486-CR),

13 Respondent.

Case No. 2019-316, AP19.026.N

**COMPLAINT AND NOTICE OF
HEARING**

FILED

AUG 12 2020

NEVADA COMMISSION OF APPRAISERS

Kelly Valadez

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

JURISDICTION

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

27 ///

28 ///

FACTUAL ALLEGATIONS

1. The Respondent has been licensed by the Division as a Certified Residential Appraiser, License No. A.0205486-CR since September 2008.

2. On or about March 25, 2019, the Division received a complaint/statement of fact asserting that the Respondent completed a uniform residential appraisal report ("Appraisal Report") for Homeowners Financial Group USA, through the Appraisal Management Company ("AMC") Appraisal Mark.

3. The complaint/statement of fact stated that the Respondent's Appraisal Report contained several violations of the Uniform Standards of Professional Appraisal Practice ("USPAP").¹

4. The complaint/statement contained an internal appraisal review conducted by Summit Funding Inc.'s staff appraisers.

5. The Respondent's Appraisal Report was prepared for a condominium property within the Idlewild Riverfront 2 Condominiums complex, located at 2875 Idlewild Drive, Unit 108, APN 010-543-32 ("Property"), built in 1987.

6. The gross living area of the Property recorded as 1,259 sq. ft.

7. The intended use of the appraisal performed by the Respondent was specified as "lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction."

8. The intended user of the Respondent's Appraisal Report is identified as "lender/client."

9. The Respondent's Appraisal Report states the appraised value is \$359,000.00.

10. The effective date of Respondent's Appraisal Report is identified as January 11, 2019, and the signature date is January 30, 2019.

11. No supporting information was provided for the opinion of highest and best

¹ The 2018-2019 edition of the Uniform Standards of Professional Appraisal Practice ("USPAP") is applicable here.

1 use, where the Respondent checked the box present use.

2 12. The Respondent's work file has no documented information on any of the
3 sales, or a verification of the sales utilized in the Appraisal Report.

4 13. The Respondent's work file does not contain any supporting MLS sheets.

5 14. The lack of supporting documentation combined with the report stating the
6 information was obtained from the MLS makes the report misleading.

7 15. The work file does not contain a copy of the purchase agreement contract.

8 16. The Appraisal Report indicates that the streets are public, when in fact, all
9 the interior roads of the Idlewild complex are private and privately maintained.

10 17. The Appraisal Report indicates the flood zone as "AE," when in fact the flood
11 zone is "X."

12 18. The Appraisal Report indicates that the number of parking spaces is 228
13 with a 2% ratio, when in fact there are only 171 parking spaces with a 1.5% ratio.

14 19. The Appraisal Report indicates that there are 20 units rented and 94 owner
15 occupied units when the Washoe County Assessor's Office ownership database reported
16 51 of the 114 units are owner occupied.

17 20. The work file does not include supporting information or analysis as to why
18 the income approach is not included in the scope of work.

19 21. The Appraisal Report includes an addendum referencing changes made on
20 January 29, 2019; however, the work file does not include a copy of the original report,
21 the engagement letter, or the request for an amendment.

22 22. The Respondent's work file does not include analysis or calculations for the
23 noted 5% and 10% quality adjustments, and the 10% market supported quality
24 adjustments.

25 23. The Respondent's work file does not include calculations or analysis
26 regarding the non-adjustments for HOA dues.

27 24. The Appraisal Report does not include commentary regarding the market
28 reaction regarding HOA fee disparities in the sales comparables.

1 25. The work file does not contain supporting information, analysis, or
2 calculations regarding the adjustments for bathroom count, gross living area, or garage
3 capacity.

4 26. The 1004MC, Market Conditions Addendum, noted the medium comparable
5 sales prices were increasing, stating "[t]he market analysis and research indicated that
6 values in this area have been increasing over the past year;" however, the Appraisal
7 Report stated that property values are stable.

8 27. The work file includes no evidence of the appropriate methods and
9 techniques necessary to develop adjustments applied to the sales comparison approach.

10 28. The Appraisal Report included a series of errors that, although individually
11 might not significantly affect the results, in the aggregate, affect the credibility of the
12 results.

13 29. The neighborhood description erroneously references the North Lake Tahoe
14 community, when the subject property location is in Reno, NV.

15 30. The market conditions section of the Appraisal Report identifies that
16 "[c]urrent market conditions in the area reflect current market conditions in California,"
17 but fails to clarify if these conditions are relevant to the Reno, Nevada market area.

18 31. By making a series of errors, including inaccurate neighborhood and market
19 area descriptions, erroneous market area reporting, unsupported adjustments and non-
20 adjustments, which individually may not significantly affect the results of the report, the
21 errors as a whole affected the credibility of the report results.

22 32. By not including the income approach, an analysis of the subject's FEMA
23 designated flood zone, and/or analysis of the HOA dues as part of the scope of work, the
24 credibility of the report results are affected.

25 33. The Respondent did not clearly and accurately set forth the appraisal in a
26 manner that was not misleading.

27 34. The Appraisal Report did not contain sufficient information to enable the
28 intended user of the appraisal to understand the report properly due to the number of

1 mistakes and erroneous information found within the appraisal report.

2 35. The seven comparable sales utilized by the Appraiser contained numerous
3 mistakes and/or inconsistencies.

4 36. On or about February 28, 2020, the Division sent the Respondent, via
5 certified mail, an NRS Chapter 233B Letter, as required by NRS 233B.237(3) indicating
6 that the Division's investigation had uncovered sufficient evidence to recommend the
7 filing of a formal complaint by the Division with the Nevada Appraisal Commission.

8 VIOLATIONS OF LAW

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

14 First Violation

15 The USPAP ETHICS RULE requires that an appraiser must not willfully or
16 knowingly violate the requirements of the RECORD KEEPING RULE; and must not
17 perform an assignment in a grossly negligent manner.

18 Respondent violated the USPAP ETHICS RULE, as codified in NAC 645C.405(1),
19 by performing the assignment in a grossly negligent matter. The work file contains no
20 information as to how the adjustments were developed or quantified. The Respondent's
21 actions constitute unprofessional conduct, pursuant to NRS 645C.470(2) and grounds for
22 disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

23 Second Violation

24 The USPAP RECORD KEEPING RULE requires that an appraiser must prepare a
25 work file for each appraisal review assignment. The work file must be in existence prior to
26 the issuance of any report or other communication of assignment results. The work file
27 must include all other data, information, and documentation necessary to support the
28 appraiser's opinions and conclusions and to show compliance with USPAP, or references

1 to the location(s) of such other data, information, and documentation.

2 The Respondent violated the USPAP RECORD KEEPING RULE, as codified in
3 NAC 645C.405(1), by failing to keep and maintain true copies of all written reports,
4 documented on any type of media and all other data, information, and documentation
5 necessary to support the appraiser's opinions and conclusions, and to show compliance
6 with USPAP, or references to the location(s) of such other data, information or
7 documentation. The Respondent's comparable adjustments fail to provide supporting
8 information for the adjustments of quality, bathroom count, gross living area, garage
9 capacity, or HOA dues. The Respondent also failed to include copies of the original
10 Appraisal Report, amendment request, and purchase contract. The Respondent's actions
11 constitute unprofessional conduct, pursuant to NRS 645C.470(2) and grounds for
12 disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

13 Third Violation

14 The COMPETENCY RULE requires that an appraiser must: (1) be competent to
15 perform the assignment; (2) acquire the necessary competency to perform the assignment;
16 or (3) decline or withdraw from the assignment.

17 The Respondent violated the USPAP COMPETENCY RULE, as codified in NAC
18 645C.405(1), by failing to demonstrate competency when he did not use or explain the
19 non-use of the income approach. The Respondent also failed to demonstrate familiarity
20 with the Reno condominium market when he misidentified the neighborhood. This is
21 unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action,
22 pursuant to Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or (b).

23 Fourth Violation

24 The SCOPE OF WORK RULE requires that an appraiser to: (1) identify the
25 problem to be solved; (2) determine and perform the scope of work necessary to develop
26 credible assignment results; and (3) disclose the scope of work in the report. An appraiser
27 must be prepared to demonstrate that the scope of work is sufficient to produce credible
28 assignment results.

1 The Respondent violated the SCOPE OF WORK RULE, as codified in NAC
2 645C.405(1), by failing to include supporting information or analysis as to why the income
3 approach was not used. The Respondent's failure to include supporting information,
4 analysis, or calculations regarding the adjustments for bathroom count, gross living area,
5 or garage capacity also diminished the credibility for the assignment results. This is
6 unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action,
7 pursuant to Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or (b).

8 Fifth Violation

9 USPAP Standards Rule 1-1(a) requires that in developing a real property
10 appraisal, an appraiser must: (a) be aware of, understand, and correctly employ those
11 recognized methods and techniques that are necessary to produce a credible appraisal.

12 The Respondent violated USPAP Standards Rule 1-1(a), as codified in NAC
13 645C.405(1), by making several errors in the appraisal report with several inconsistencies
14 or misrepresentations in the body of the report making it apparent that the appraiser did
15 not understand how to correctly employ recognized methods and techniques. This is
16 unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action,
17 pursuant to Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or (b).

18 Sixth Violation

19 USPAP Standards Rule 1-1(c) requires that an appraiser must not render services
20 in a careless or negligent manner, such as by making a series of errors that, although
21 individually might not significantly affect the results of an appraisal, in the aggregate
22 affects the credibility of those results.

23 The Respondent violated USPAP Standards Rule 1-1(c), as codified in NAC
24 645C.405(1), by failing to provide supporting information obtained from the MLS, a copy
25 of the sales contract, misidentifying the interior roads of the Property, the flood zone
26 designation, the market conditions, parking space ratio, and consistently making
27 mistakes and/or discrepancies in the 7 comparables. The Respondent's actions constitute
28 professional incompetence pursuant to NRS 645C.470(3) and grounds for disciplinary

1 action pursuant to NRS 645C.460(1)(a) and/or (b).

2 **Seventh Violation**

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

6 The Respondent violated USPAP Standards Rule 1-2(h), as codified in NAC
7 645C.405(1), because of the numerous inconsistencies and mistakes found within the
8 comparables utilized in the report and the misidentification of the 1004MC market
9 conditions. The Respondent's actions constitute professional incompetence pursuant to
10 NRS 645C.470(3) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a)
11 and/or (b).

12 **Eighth Violation**

13 USPAP Standards Rule 1-5(a) requires an appraiser must analyze all agreements
14 of sale, opinions, or listing of the subject property current as of the effective date of the
15 appraisal.

16 The Respondent violated USPAP Standards Rule 1-5(a), as codified in NAC
17 645C.405(1), by failing to include or analyze the purchase contract for the Property. The
18 Respondent's actions constitute professional incompetence pursuant to NRS 645C.470(3)
19 and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

20 **Ninth Violation**

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

24 Respondent violated USPAP Standards Rule 2-1(a), as codified in NAC
25 645C.405(1), due to the lack of supporting documentation in the work file, the numerous
26 mistakes and inconsistencies found within the report and the sales utilized. The
27 Respondent's actions constitute unprofessional conduct pursuant to NRS 645C.470(2) and
28 grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

Tenth Violation

USPAP Standards Rule 2-1(b) requires each written or oral real property appraisal report to contain sufficient information to enable the intended users of the appraisal to understand the report properly.

Respondent violated USPAP Standards Rule 2-1(b), as codified in NAC 645C.405(1), by failing to include sufficient supporting MLS information regarding the comparables, and/or discussion regarding the neighborhood analysis relative to the subject, the selection of the comparable sales and listings, and the quantification of the adjustments. The Respondent's actions constitute unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

Eleventh Violation

USPAP Standards Rule 2-2(a)(viii) requires the content of an appraisal report to 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; exclusions of the sales comparison approach, cost approach, or income approach must be explained. The appraiser must provide sufficient information to enable the client and intended users to understand the rationale for the opinions and conclusions, including reconciliation of the data and approaches, in accordance with Standards Rule 1-6.

Respondent violated USPAP Standards Rule 2-2(a)(viii), as codified in NAC 645C.405(1), by failing to include a summary of the information analyzed, the methods and techniques employed, and the reason that supports the analysis, opinions, and conclusions. The appraisal report includes no evidence to adequately explain the exclusions of the income approach. The Respondent's actions constitute unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

///

1 **Twelfth Violation**

2 USPAP Standards Rule 2-2(a)(x) requires that the content of an appraisal report
3 must be consistent with the intended use of the appraisal and, at a minimum when an
4 opinion of highest and best use was developed by the appraiser, summarize the support
5 and rationale for that opinion.

6 Respondent violated USPAP Standards Rule 2-2(a)(x), as codified in NAC
7 645C.405(1), by failing to include a discussion in the report or evidence in the work file as
8 to how the highest and best use was determined. The Respondent's actions constitute
9 unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action
10 pursuant to NRS 645C.460(1)(a) and/or (b).

11 **Thirteenth Violation**

12 USPAP Standards Rule 2-2(a)(xii) requires that the appraiser include a signed
13 certification in accordance with Standards Rule 2-3.

14 Respondent violated USPAP Standards Rule 2-2(a)(xii), as codified in NAC
15 645C.405(1), by failing to include a second certification for an amendments/second report,
16 as of January 29, 2019. The Respondent's actions constitute unprofessional conduct
17 pursuant to NRS 645C.470(2) and grounds for disciplinary action pursuant to NRS
18 645C.460(1)(a) and/or (b).

19 **DISCIPLINE AUTHORIZED**

20 1. Pursuant to NRS 645C.460(2), if grounds for disciplinary action against an
21 appraiser are found to exist for unprofessional conduct, the Commission may revoke or
22 suspend the certificate, place conditions upon the certificate, deny the renewal of his or
23 her certificate, and/or impose a fine up to \$10,000.00 per violation. NRS 645C.480(1)(a) is
24 identified as an additional act of unprofessional conduct.

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

28 3. Therefore, the Division requests the Commission to impose such discipline as

1 it determines is appropriate under the circumstances and to award the Division its costs
2 and attorney's fees for this proceeding.

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

7 **THE HEARING WILL TAKE PLACE** at the Commission meeting scheduled
8 for September 15th, 16th, and 17th, 2020, beginning at approximately 9:00 a.m.
9 each day, or until such time as the Commission concludes its business.

10 If the Governor's Emergency Directive 006 – suspending physical location
11 requirements is extended through the date of the meeting, then the hearing will
12 be held via teleconference and video conference. The Commission uses WebEx
13 for its meetings. To join the hearing go to the website Webex.com and put in the
14 Meeting ID and Password:

15 **Tuesday, September 15, 2020 - Meeting Number (Access Code): 146 304 7451**
16 **Meeting Password: UmGC5pNkR58 (86425765 from phones and video systems)**

17 **Wednesday, September 16, 2020 - Meeting Number (Access Code): 146 321 9396**
18 **Meeting Password: 2MfdNmNBJ28 (26336662 from phones and video systems)**

19 **Thursday, September 17, 2020 - Meeting Number (Access Code): 146 950 3290**
20 **Meeting Password: HxamcwTN379 (49262986 from phones and video systems)**

21 If you do not have internet access, you may attend by phone at (844) 621-
22 3956. Some mobile devices may ask attendees to enter a numeric meeting
23 password provided above.

24 ///

25 ///

26 ///

27 ///

28 ///

1 If Emergency Directive 006 is not extended and the meeting is held in
2 person, then the meeting will be located at the following locations:

3 Nevada State Business Center
4 Real Estate Division
5 3300 West Sahara Avenue, Suite 350
6 Las Vegas, Nevada 89102

7 If you would like an email containing this information, before the hearing,
8 please contact Kelly Valadez, Commission Coordinator, at (702) 486-4606 or
9 kvaladez@red.nv.gov.

10 STACKED CALENDAR: Your hearing is one of several hearings that may
11 be scheduled at the same time as part of a regular meeting of the Commission
12 that is expected to take place on September 15-17, 2020. Thus, your hearing may
13 be continued until later in the day or from day to day. It is your responsibility
14 to be present when your case is called. If you are not present when your case is
15 called, a default may be entered against you, and the Commission may decide
16 the case as if all allegations in the complaint were true. If you need to negotiate
17 a more specific time for your hearing in advance, because of coordination with
18 out of state witnesses or the like, please call Kelly Valadez, Commission
19 Coordinator, at (702) 486-4606.

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

26 As the Respondent, you are specifically informed that you have the right to appear
27 and be heard in your defense, either personally or through your counsel of choice. At the
28 hearing, the Division has the burden of proving the allegations in the complaint and will
call witnesses and present evidence against you. You have the right to respond and to

1 present relevant evidence and argument on all issues involved. You have the right to call
2 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any
3 matter relevant to the issues involved.

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

9
10 DATED the 11 day of August 2020.

DATED the 9th day of August 2020.

11
12 NEVADA REAL ESTATE DIVISION

AARON D. FORD
Attorney General

13
14
15 By: 

16 SHARATH CHANDRA, Administrator
17 3300 W. Sahara Avenue, Suite 350
18 Las Vegas, Nevada 89102
19 (702) 486-4033

By: 

PETER K. KEEGAN, ESQ.,
Deputy Attorney General
BAR NO. 12237
100 North Carson Street
Carson City, Nevada 89701-4717
Telephone: (775) 684-1153
Attorneys for Real Estate Division

EXHIBIT “E”

EXHIBIT “E”

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,
7 STATE OF NEVADA,

8
9 Petitioner,

10 vs.

11 BRETT J. PIERCE
12 (License No. A.0205486-CR),

13 Respondent.

Case No. 2019-316, AP19.026.N

**FINDINGS OF FACT AND
CONCLUSIONS OF LAW**

FILED

OCT 09 2020

NEVADA COMMISSION OF APPRAISERS

Kelly Valadez

14 This matter came on for hearing before the Nevada Commission of Appraisers of Real
15 Estate, State of Nevada ("Commission") on Tuesday, September 15, 2020, via a Webex
16 virtual videoconference hearing. Respondent Brett J. Pierce("Respondent") failed to
17 appear. Peter K. Keegan, Deputy Attorney General, appeared and prosecuted the
18 Complaint on behalf of petitioner Sharath Chandra, Administrator of the Real Estate
19 Division, Department of Business & Industry, State of Nevada ("Division").

20 **I. JURISDICTION**

21 The Respondent is a Certified Residential Appraiser licensed by the Division, and
22 therefore, is subject to the Jurisdiction of the Division and the provisions of NRS and NAC
23 Chapter 645C. By availing himself of the benefits and protections of the laws of the State
24 of Nevada, the Respondent has submitted to the jurisdiction of the Division.

25 **II. FINDINGS OF FACT**

26 The matter having been submitted for decision based upon the allegations of the
27 Complaint, the Commission now, based upon the evidence presented during the hearing,
28 finds that there is substantial evidence in the record to establish each of the following:

1. The Division served a copy of the Complaint and Notice of Hearing, Notice of

1 Complaint and Obligation to Respond, and the Notice of Documents upon the Respondent
2 at least 30 days prior to the hearing in schedule in this matter for Tuesday, September 15,
3 2020.

4 2. Respondent was served copies of the above-reference documents, via certified
5 mail at the following two addresses: (1) 590 Douglas Court, Incline Village, NV 89451; and
6 (2) 136 Juanita Dr., #4, Incline Village, NV 89405.

7 3. The Respondent failed to appear at the hearing on Tuesday, September 15,
8 2020, and did not request for a continuance of this matter.

9 4. The Respondent has been licensed by the Division as a Certified Residential
10 Appraiser, License No. A.0205486-CR since September 2008.

11 5. On or about March 25, 2019, the Division received a complaint/statement of
12 fact asserting that the Respondent completed a uniform residential appraisal report
13 ("Appraisal Report") for Homeowners Financial Group USA, through the Appraisal
14 Management Company ("AMC") Appraisal Mark.

15 6. The complaint/statement of fact stated that the Respondent's Appraisal
16 Report contained several violations of the Uniform Standards of Professional Appraisal
17 Practice ("USPAP").¹

18 7. The complaint/statement contained an internal appraisal review conducted
19 by Summit Funding Inc.'s staff appraisers.

20 8. The Respondent's Appraisal Report was prepared for a condominium property
21 within the Idlewild Riverfront 2 Condominiums complex, located at 2875 Idlewild Drive,
22 Unit 108, APN 010-543-32 ("Property"), built in 1987.

23 9. The gross living area of the Property recorded as 1,259 sq. ft.

24 10. The intended use of the appraisal performed by the Respondent was specified
25 as "lender/client to evaluate the property that is the subject of this appraisal for a mortgage
26 finance transaction."

27
28 ¹ The 2018-2019 edition of the Uniform Standards of Professional Appraisal Practice ("USPAP") is
applicable here.

1 11. The intended user of the Respondent's Appraisal Report is identified as
2 "lender/client."

3 12. The Respondent's Appraisal Report states the appraised value is \$359,000.00.

4 13. The effective date of Respondent's Appraisal Report is identified as January
5 11, 2019, and the signature date is January 30, 2019.

6 14. No supporting information was provided for the opinion of highest and best
7 use, where the Respondent checked the box present use.

8 15. The Respondent's work file has no documented information on any of the
9 sales, or a verification of the sales utilized in the Appraisal Report.

10 16. The Respondent's work file does not contain any supporting MLS sheets.

11 17. The lack of supporting documentation combined with the report stating the
12 information was obtained from the MLS makes the report misleading.

13 18. The work file does not contain a copy of the purchase agreement contract.

14 19. The Appraisal Report indicates that the streets are public, when in fact, all
15 the interior roads of the Idlewild complex are private and privately maintained.

16 20. The Appraisal Report indicates the flood zone as "AE," when in fact the flood
17 zone is "X."

18 21. The Appraisal Report indicates that the number of parking spaces is 228 with
19 a 2% ratio, when in fact there are only 171 parking spaces with a 1.5% ratio.

20 22. The Appraisal Report indicates that there are 20 units rented and 94 owner
21 occupied units when the Washoe County Assessor's Office ownership database reported 51
22 of the 114 units are owner occupied.

23 23. The work file does not include supporting information or analysis as to why
24 the income approach is not included in the scope of work.

25 24. The Appraisal Report includes an addendum referencing changes made on
26 January 29, 2019; however, the work file does not include a copy of the original report, the
27 engagement letter, or the request for an amendment.

28 25. The Respondent's work file does not include analysis or calculations for the

1 noted 5% and 10% quality adjustments, and the 10% market supported quality
2 adjustments.

3 26. The Respondent's work file does not include calculations or analysis regarding
4 the non-adjustments for HOA dues.

5 27. The Appraisal Report does not include commentary regarding the market
6 reaction regarding HOA fee disparities in the sales comparables.

7 28. The work file does not contain supporting information, analysis, or
8 calculations regarding the adjustments for bathroom count, gross living area, or garage
9 capacity.

10 29. The 1004MC, Market Conditions Addendum, noted the medium comparable
11 sales prices were increasing, stating "[t]he market analysis and research indicated that
12 values in this area have been increasing over the past year;" however, the Appraisal Report
13 stated that property values are stable.

14 30. The work file includes no evidence of the appropriate methods and techniques
15 necessary to develop adjustments applied to the sales comparison approach.

16 31. The Appraisal Report included a series of errors that, although individually
17 might not significantly affect the results, in the aggregate, affect the credibility of the
18 results.

19 32. The neighborhood description erroneously references the North Lake Tahoe
20 community, when the subject property location is in Reno, NV.

21 33. The market conditions section of the Appraisal Report identifies that
22 "[c]urrent market conditions in the area reflect current market conditions in California,"
23 but fails to clarify if these conditions are relevant to the Reno, Nevada market area.

24 34. By making a series of errors, including inaccurate neighborhood and market
25 area descriptions, erroneous market area reporting, unsupported adjustments and non-
26 adjustments, which individually may not significantly affect the results of the report, the
27 errors as a whole affected the credibility of the report results.

28 35. By not including the income approach, an analysis of the subject's FEMA

1 designated flood zone, and/or analysis of the HOA dues as part of the scope of work, the
2 credibility of the report results are affected.

3 36. The Respondent did not clearly and accurately set forth the appraisal in a
4 manner that was not misleading.

5 37. The Appraisal Report did not contain sufficient information to enable the
6 intended user of the appraisal to understand the report properly due to the number of
7 mistakes and erroneous information found within the appraisal report.

8 38. The seven comparable sales utilized by the Appraiser contained numerous
9 mistakes and/or inconsistencies.

10 39. On or about February 28, 2020, the Division sent the Respondent, via certified
11 mail, an NRS Chapter 233B Letter, as required by NRS 233B.237(3) indicating that the
12 Division's investigation had uncovered sufficient evidence to recommend the filing of a
13 formal complaint by the Division with the Nevada Appraisal Commission.

14 **III. CONCLUSIONS OF LAW**

15 The Commission, based upon the preponderance of the evidence, makes the
16 following legal conclusions:

17 1. The Division properly served notice, via certified mail, of the underlying
18 Complaint upon the Respondent at his last known addresses pursuant to NRS 645C.500(5).

19 2. Based upon the Respondent's failure to appear the scheduled hearing
20 September 15, 2020, default is hereby entered against the Respondent pursuant to NAC
21 645C.502 and all charges specified in the complaint are considered as true.

22 **3. First Violation**

23 The Respondent failed to prepare the appraisal report for the Property in
24 Compliance with the Standards of the Appraisal Foundation. These Standards are
25 published in the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted
26 by the Appraisal Standards Board of the Appraisal Foundation, as authorized by Congress,
27 and adopted in Nevada by NAC 645C.400.

28 The USPAP ETHICS RULE requires that an appraiser must not willfully or

1 knowingly violate the requirements of the RECORD KEEPING RULE; and must not
2 perform an assignment in a grossly negligent manner.

3 Respondent violated the USPAP ETHICS RULE, as codified in NAC 645C.405(1), by
4 performing the assignment in a grossly negligent matter. The work file contains no
5 information as to how the adjustments were developed or quantified. The Respondent's
6 actions constitute unprofessional conduct, pursuant to NRS 645C.470(2) and grounds for
7 disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

8 4. Second Violation

9 The USPAP RECORD KEEPING RULE requires that an appraiser must prepare a
10 work file for each appraisal review assignment. The work file must be in existence prior to
11 the issuance of any report or other communication of assignment results. The work file
12 must include all other data, information, and documentation necessary to support the
13 appraiser's opinions and conclusions and to show compliance with USPAP, or references to
14 the location(s) of such other data, information, and documentation.

15 The Respondent violated the USPAP RECORD KEEPING RULE, as codified in NAC
16 645C.405(1), by failing to keep and maintain true copies of all written reports, documented
17 on any type of media and all other data, information, and documentation necessary to
18 support the appraiser's opinions and conclusions, and to show compliance with USPAP, or
19 references to the location(s) of such other data, information or documentation. The
20 Respondent's comparable adjustments fail to provide supporting information for the
21 adjustments of quality, bathroom count, gross living area, garage capacity, or HOA dues.
22 The Respondent also failed to include copies of the original Appraisal Report, amendment
23 request, and purchase contract. The Respondent's actions constitute unprofessional
24 conduct, pursuant to NRS 645C.470(2) and grounds for disciplinary action pursuant to NRS
25 645C.460(1)(a) and/or (b).

26 5. Third Violation

27 The COMPETENCY RULE requires that an appraiser must: (1) be competent to
28 perform the assignment; (2) acquire the necessary competency to perform the assignment;

1 or (3) decline or withdraw from the assignment.

2 The Respondent violated the USPAP COMPETENCY RULE, as codified in NAC
3 645C.405(1), by failing to demonstrate competency when he did not use or explain the non-
4 use of the income approach. The Respondent also failed to demonstrate familiarity with the
5 Reno condominium market when he misidentified the neighborhood. This is unprofessional
6 conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action, pursuant to
7 Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or (b).

8 6. Fourth Violation

9 The SCOPE OF WORK RULE requires that an appraiser to: (1) identify the problem
10 to be solved; (2) determine and perform the scope of work necessary to develop credible
11 assignment results; and (3) disclose the scope of work in the report. An appraiser must be
12 prepared to demonstrate that the scope of work is sufficient to produce credible assignment
13 results.

14 The Respondent violated the SCOPE OF WORK RULE, as codified in NAC
15 645C.405(1), by failing to include supporting information or analysis as to why the income
16 approach was not used. The Respondent's failure to include supporting information,
17 analysis, or calculations regarding the adjustments for bathroom count, gross living area,
18 or garage capacity also diminished the credibility for the assignment results. This is
19 unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action,
20 pursuant to Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or (b).

21 7. Fifth Violation

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

25 The Respondent violated USPAP Standards Rule 1-1(a), as codified in NAC
26 645C.405(1), by making several errors in the appraisal report with several inconsistencies
27 or misrepresentations in the body of the report making it apparent that the appraiser did
28 not understand how to correctly employ recognized methods and techniques. This is

unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action, pursuant to Nevada Revised Statutes ("NRS") 645C.460(1)(a) and/or (b).

8. Sixth Violation

USPAP Standards Rule 1-1(c) requires that an appraiser must not render 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.

The Respondent violated USPAP Standards Rule 1-1(c), as codified in NAC 645C.405(1), by failing to provide supporting information obtained from the MLS, a copy of the sales contract, misidentifying the interior roads of the Property, the flood zone designation, the market conditions, parking space ratio, and consistently making mistakes and/or discrepancies in the 7 comparables. The Respondent's actions constitute professional incompetence pursuant to NRS 645C.470(3) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

9. Seventh Violation

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

The Respondent violated USPAP Standards Rule 1-2(h), as codified in NAC 645C.405(1), because of the numerous inconsistencies and mistakes found within the comparables utilized in the report and the misidentification of the 1004MC market conditions. The Respondent's actions constitute professional incompetence pursuant to NRS 645C.470(3) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

10. Eighth Violation

USPAP Standards Rule 1-5(a) requires an appraiser must analyze all agreements of sale, opinions, or listing of the subject property current as of the effective date of the appraisal.

1 The Respondent violated USPAP Standards Rule 1-5(a), as codified in NAC
2 645C.405(1), by failing to include or analyze the purchase contract for the Property. The
3 Respondent's actions constitute professional incompetence pursuant to NRS 645C.470(3)
4 and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

5 **11. Ninth Violation**

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

9 Respondent violated USPAP Standards Rule 2-1(a), as codified in NAC 645C.405(1),
10 due to the lack of supporting documentation in the work file, the numerous mistakes and
11 inconsistencies found within the report and the sales utilized. The Respondent's actions
12 constitute unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
13 disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

14 **12. Tenth Violation**

15 USPAP Standards Rule 2-1(b) requires each written or oral real property appraisal
16 report to contain sufficient information to enable the intended users of the appraisal to
17 understand the report properly.

18 Respondent violated USPAP Standards Rule 2-1(b), as codified in NAC 645C.405(1),
19 by failing to include sufficient supporting MLS information regarding the comparables,
20 and/or discussion regarding the neighborhood analysis relative to the subject, the selection
21 of the comparable sales and listings, and the quantification of the adjustments. The
22 Respondent's actions constitute unprofessional conduct pursuant to NRS 645C.470(2) and
23 grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

24 **13. Eleventh Violation**

25 USPAP Standards Rule 2-2(a)(viii) requires the content of an appraisal report to be
26 consistent with the intended use of the appraisal and, at a minimum: (viii) summarize the
27 information analyzed, the appraisal methods and techniques employed, and the reasoning
28 that supports the analyses, opinions, and conclusions; exclusions of the sales comparison

1 approach, cost approach, or income approach must be explained. The appraiser must
2 provide sufficient information to enable the client and intended users to understand the
3 rationale for the opinions and conclusions, including reconciliation of the data and
4 approaches, in accordance with Standards Rule 1-6.

5 Respondent violated USPAP Standards Rule 2-2(a)(viii), as codified in NAC
6 645C.405(1), by failing to include a summary of the information analyzed, the methods and
7 techniques employed, and the reason that supports the analysis, opinions, and conclusions.
8 The appraisal report includes no evidence to adequately explain the exclusions of the
9 income approach. The Respondent's actions constitute unprofessional conduct pursuant to
10 NRS 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a)
11 and/or (b).

12 14. Twelfth Violation

13 USPAP Standards Rule 2-2(a)(x) requires that the content of an appraisal report
14 must be consistent with the intended use of the appraisal and, at a minimum when an
15 opinion of highest and best use was developed by the appraiser, summarize the support
16 and rationale for that opinion.

17 Respondent violated USPAP Standards Rule 2-2(a)(x), as codified in NAC
18 645C.405(1), by failing to include a discussion in the report or evidence in the work file as
19 to how the highest and best use was determined. The Respondent's actions constitute
20 unprofessional conduct pursuant to NRS 645C.470(2) and grounds for disciplinary action
21 pursuant to NRS 645C.460(1)(a) and/or (b).

22 15. Thirteenth Violation

23 USPAP Standards Rule 2-2(a)(xii) requires that the appraiser include a signed
24 certification in accordance with Standards Rule 2-3.

25 Respondent violated USPAP Standards Rule 2-2(a)(xii), as codified in NAC
26 645C.405(1), by failing to include a second certification for an amendments/second report,
27 as of January 29, 2019. The Respondent's actions constitute unprofessional conduct
28 pursuant to NRS 645C.470(2) and grounds for disciplinary action pursuant to NRS

1 645C.460(1)(a) and/or (b).

2 **ORDER**

3 IT IS HEREBY ORDERED that Respondent shall pay to the Division a total fine of
4 \$8,189.17. The total fine reflects a fine of \$5,000.00 for committing each of the above
5 thirteen violations of law, plus \$3,189.17 for hearing and investigative costs. Respondent
6 shall pay the total fine to the Division within one (1) year of the effective date of this Order.

7 IT IS FURTHER ORDERED that Respondent's Certified Residential Appraiser
8 License No. A.0205486-CR is hereby revoked, effective thirty (30) days from the date of this
9 Order pursuant to NRS 645C.520.

10 If the payment or proof of completion of the continuing education is not actually
11 received by the Division on or before its due date, it shall be construed as an event of default
12 by Respondent. In the event of default, Respondent's licenses and permit shall be
13 immediately suspended, and the unpaid balance of the administrative fine and costs,
14 together with any attorney's fees and costs that may have been assessed, shall be due in
15 full to the Division within ten calendar days of the date of default. The Division may
16 institute debt collection proceedings for failure to timely pay the total fine.

17 The Commission retains jurisdiction for correcting any errors that may have
18 occurred in the drafting and issuance of this Decision.

19 Pursuant to NRS 645C.520, this Order shall become effective 30 days from the date
20 of this Order, on the 9th day of November, 2020.

21 DATED this 9th day of October, 2020.

22 COMMISSION OF APPRAISERS OF REAL ESTATE
23 STATE OF NEVADA

24 By: Kenneth H. [Signature]
25 President, Commission of Appraisers of Real Estate
26
27
28