

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

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SHARATH CHANDRA, Administrator,  
REAL ESTATE DIVISION,  
DEPARTMENT OF BUSINESS AND  
INDUSTRY, STATE OF NEVADA,  
  
Petitioner,  
  
vs.  
  
Traci L. Polak  
A.0207532-INTR  
  
Respondent.

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

Case No. 2019-1270, AP20.016.5

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

1. **PARTIES.** This Stipulation is entered into by and between the Petitioner, the REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA (the "Division"), by and through its Administrator, SHARATH CHANDRA (the "Administrator"), and the Respondent, TRACI L. POLAK (whether one or more hereinafter the "Respondent"), who at relevant time was licensed by the State of Nevada, license number(s) A.0207532-INTR. This Stipulation is entered into upon mutual agreement with the decision of the Appraisal Advisory Review Committee (the "AARC"), which was reached at its informal conference held on October 13, 2020, in LAS VEGAS, NEVADA. Members of the AARC present were Anthony Wren, Chairperson, Kristen Lowe and Derek Stoddard.

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

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

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

- 19 **a. Not less than 14 hours Residential Market Analysis and Highest and Best Use**  
20 **b. Not less than 6 hours Ethics, Competency and Negligence**  
21 **c. Not less than 3 hours Work File course**

22 **For a total of not less than 23 hours of continued education to be completed within one**  
23 **year of the Appraisal Commission President signing the stipulated agreement. None of**  
24 **the above listed education can be counted towards license renewal. Once the education**  
25 **is completed, the respondent will submit monthly appraisal logs to the Division to select**  
26 **appraisals for review to insure USPAP Compliance.**

27 RESPONDENT  Agreed to stipulation \_\_\_\_\_

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

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

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

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

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

performed by RESPONDENT; and

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

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

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

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

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

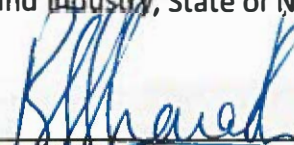
10. **STIPULATION IS NOT A BAR TO FUTURE PROCEEDINGS.** This Stipulation shall not constitute an estoppel, merger or bar to any administrative or civil proceeding by the Division with respect to any future matters or other matters that were not consideration for this Stipulation.

3 .....  
4 .....  
5 .....

6 SO STIPULATED.

7 Dated: 12/01/2020

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

10 By:   
11 Sharath Chandra  
12 Administrator

13 Dated: 11-1-2020

14   
15 Respondent

16 **ORDER**

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

19 DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

20 NEVADA COMMISSION OF APPRAISERS OF  
21 REAL ESTATE

22 \_\_\_\_\_  
23 Appraisal Commission President

**Exhibit A**

1  
2 **Traci L. Polak**  
3 **2019-1270, AP20.016.S**

4 **Violation found:**

5 **Record Keeping Rule:**

6 An appraiser must prepare a work file for each appraisal or appraisal review assignment. A work file  
7 must be in existence prior to the issuance of any report or other communication of assignment results. A  
8 written summary of an oral report must be added to the work file within a reasonable time after the  
9 issuance of the oral report.

10 The workfile must include:

- 11 • all other data, information, and documentation necessary to support the appraiser's opinions and  
12 conclusions and to show compliance with USPAP, or references to the location(s) of such other data,  
13 information, and documentation.

14 **Standard Rule 1:**

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

18 **Standards Rule 1-3:**

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

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

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

24 **Standards Rule 1-4:**

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

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

29 **Standards Rule1-6:**

30 In developing a real property appraisal, an appraiser must:

- 31 (a) reconcile the quality and quantity of data available and analyzed within the approaches used; and
- 32 (b) reconcile the applicability and relevance of the approaches, methods and techniques used to arrive at  
33 the value conclusion(s).

34 **Standard Rule 2:**

35 In reporting the results of a real property appraisal, an appraiser must communicate each analysis,  
36 opinion, and conclusion in a manner that is not misleading.

37 **Standards Rule 2-1:**

38 Each written or oral real property appraisal report must:

- 1 (a) clearly and accurately set forth the appraisal in a manner that will not be misleading;  
2 (b) contain sufficient information to enable the intended users of the appraisal to understand the report properly; and

3 **STANDARDS RULE 2-2:**

4 Each written real property appraisal report must be prepared under one of the following options and prominently state which option is used: Appraisal Report or Restricted Appraisal Report.

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

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

7 (x) when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion;

9  
10 **Facts and Rationale for Finding:**

11 Investigative case was presented to the Appraisal Advisory Review Committee and violations of the  
12 Uniform Standards of Professional Appraisal Practice (USPAP) were found to be proven. Education  
13 was recommended.  
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