

**TO: KELLY VALADEZ**

**Commission Coordinator**

**Nevada Real Estate Division**

**3300 W. Sahara Ave, Suite 350**

**Las Vegas, NV 89102**

**FILED**

**NOV 13 2020**

NEVADA COMMISSION OF APPRAISERS

*Kelly Valadez*



Case No: 2017-868, AP17.031.S

November 10, 2020

Dear Ms Valadez,

This is in response to your notice of formal proceeding dated August 14, 2020 for which a continuance was granted by the Deputy AG through Kelly Valadez, for extenuating family circumstances from 30 days to 90 days.

**Answers to factual allegations:**

1. I admit that I was licensed by the Division as a Certified Residential Appraiser since October 16, 2007.
2. I admit that the appraisal in question was for the single family residence located at 3417 Perching Bird Lane, North Las Vegas, NV 89084 APN 124-20-213-064.
3. I admit that the Gross Living Area of the subject property was 2,207 sf.
4. I admit that the transaction was a purchase and that the lender client was Cross-Country Mortgage, Inc.
5. I admit that the effective date of the appraisal is April 1, 2017.
6. I admit that the appraised value on the report is \$250,000.
7. I admit that the final sale price, changed by supplemental addendum, was \$252,000.
8. I admit that the complaint's attached appraisal indicates the original sale price of \$259,000.
9. I admit that a hard copy of the appraisal with the \$259,000 was not included in the work file.
10. I admit that the Cost Approach value on the appraisal report, which was intended not to be developed as it is not required by FHA, was erroneously \$247,629.00
11. I admit that the Cost Approach description, which was intended to be removed as it is not required by FHA, erroneously refers to a 1-story home in another area that is not the subject area.
12. I admit that the subject is not located in Sunrise Mountain, as erroneously indicated in the cost approach section of the report, which was intended to be removed as it is not required by FHA.

13. I admit that the Cost Approach indicates an erroneous site value of \$20,000.
14. I admit that the work file contains no site value supporting information for estimating a correct site value.
15. I admit that the Cost Approach erroneously reported the "as is" site value of the improvements as \$20,000.
16. I admit that the work file does not include information on the quantification of the site improvements.
17. I admit that the Cost Approach, which was intended not to be developed as it is not required by FHA, erroneously included external depreciation of \$2,094.
18. I admit that the work file does not contain evidence supporting analysis and/or calculation for external depreciation.
19. I admit that the work file does not contain evidence of analysis or reconciliation of the "as is" value of the site improvements.
20. I admit that the work file does not include the analysis of available cost data to estimate the difference between the cost new and the present worth of the improvements to support accrued depreciation.
21. I admit that the report stated in several places that the market has been stable since 2013.
22. I admit that the market in the subject neighborhood, in the 12 months prior to the effective date of the appraisal, increased.
23. I admit that there were more than 12 relevant sales in the last 12 months.
24. I admit that I failed to adequately analyze the market trends.
25. I admit that the report and work file do not contain support for adjustments or non adjustments.
26. I admit that the report and work file contain no evidence of analysis or reconciliation of the cost source as specified in the Cost Approach section, as it was intended not to be developed as it is not required by FHA.
27. I admit that the addendum fails to provide economic or market data support for the claim that the Las Vegas market has been stable since October 2013.
28. I admit that the market in the subject neighborhood, in the 12 months prior to the effective date of the appraisal, increased. Item 28 appears to be a duplicate of item 22 on this list.
29. I admit to have misjudged and therefore omitted the value increase over the prior 12 months.
30. I admit that I underestimated the discount of the externality impact of the property backing to the freeway.
31. I admit that it may have been more beneficial to use another two freeway exposure externalities but was discouraged by the other two available because they had a 44% GLA variance.
32. I admit that I failed to make adjustments for concessions, bath count, landscaping and contract date.
33. I admit that only 30% of the sales have a median concession of 1.57%.
34. I admit that adjustment were recognized 0-3.5%.

35. I admit not to have followed the scope of work with the failure to analyze by lack of adjustments.
36. I admit that the work file did not contain evidence for adjustments.
37. I admit that the cost approach was not relevant and was not removed as intended.
38. I admit that the report failed to adequately describe the reasoning supporting the analyses, opinions and conclusions.
39. I admit that the rationale for the highest and best used was not described.
40. I admit that on August 6, 2018 the Division sent me a certified letter indicating that it had reopened this investigation.

I have no intention to dispute any of these allegations and the relative USPAP violations. I wish to reaffirm my good faith, while I hope and trust that I will be treated with fairness.

Sincerely,

A handwritten signature in black ink, appearing to read "Sergio Tardio". The signature is written in a cursive style with a large, looping initial "S" and a horizontal line above the main body of the name.

Sergio Tardio

License No A.0007555-CR

6624 Arbor Bluff Ct

N Las Vegas, NV 89084