

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,

Case No. 2018-1024, AP19.002.S

**FINDINGS OF FACT, CONCLUSIONS
OF LAW, AND ORDER**

Petitioner,

vs.

FILED

MAY 09 2022

9 DARREN S. LYTLE
10 (License No. A.0003642-CR),

NEVADA COMMISSION OF APPRAISERS

Respondent.

Kelley Valadez

12
13 This matter came on for a hearing before the Nevada Commission of Appraisers of
14 Real Estate (the "Commission") on April 26, 2022. Respondent Darren S. Lytle
15 ("Respondent") did not appear. Louis V. Csoka, Deputy Attorney General, appeared and
16 prosecuted the Complaint on behalf of Petitioner Sharath Chandra, Administrator of the
17 Real Estate Division, Department of Business and Industry, State of Nevada (the
18 "Division").

19 **I. JURISDICTION**

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

24 **II. FINDINGS OF FACT**

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

1 1. The Division served a copy of the Complaint and Notice of Hearing, Notice of
2 Complaint and Obligation to Respond, and Notice of Documents at least thirty (30) days
3 prior to the hearing scheduled in this matter for Tuesday, April 26, 2022.

4 2. Subsequently, the Division also served a copy of Notice of Default, prior to
5 the hearing scheduled in this matter.

6 3. Respondent was served all of the above-referenced documents at
7 Respondent's address on file with the Division: 10620 Southern Highlands Parkway Suite
8 110, Las Vegas, Nevada 89141.

9 4. The Respondent failed to appear at the hearing in this matter on April 26,
10 2022 and did not request a continuance in this matter.

11 5. The Respondent is licensed by the Division as a Certified Residential
12 Appraiser, License No. A.0003642-CR.

13 6. On or about July 27, 2018, the Division received a complaint/statement of fact
14 from a Holly Haman-Fetzer (collectively, the "Complainant"), asserting that the
15 Respondent completed a uniform residential appraisal report ("Appraisal Report") that
16 had improperly valued a home for which Complainant was the listing agent.

17 7. In particular, Respondent's Appraisal Report was prepared for a single-
18 family residence located at 313 West Basic Road, Henderson, Nevada 89015, APN 179-18-
19 314-003 ("Property").

20 8. The gross living area of the Property recorded as 1,422 square feet.

21 9. The assignment type is identified as "Purchase Transaction," and the
22 lender/client is identified as "Mann Mortgage."

23 10. The effective date of Respondent's Appraisal Report is identified as May 16,
24 2018, and the signature date is May 17, 2018.

25 11. The Respondent's Appraisal Report states the appraised value is \$
26 218,000.00.

27 12. Respondent's Appraisal Report, however, is deficient in several respects.

28 13. First, while Respondent certified in his Appraisal Report that he had

1 personally inspected the subject Property, Respondent did not inspect the subject
2 Property whatsoever.

3 14. Specifically, instead of inspecting the Property, Respondent delegated the
4 inspection to an unlicensed person.

5 15. In particular, an unlicensed person, Alejandra Mejia, had performed the
6 Property inspection, which in part formed the basis for Respondent's Appraisal Report.

7 16. Incidentally, Ms. Mejia, who is an office manager, explained that this was
8 her seventh inspection for the day.

9 17. Yet, in his Appraisal Report, Respondent fails to mention Ms. Mejia's role in
10 the appraisal, even though the Respondent would be required to "name" any such
11 "assistance" in the "preparation" of the Appraisal Report, under the express terms of the
12 same.

13 18. Instead, Respondent specifically avows that he had "performed a *complete*
14 *visual inspection* of the interior and exterior areas of the subject property."

15 19. Notwithstanding, Respondent could not even have inspected the subject
16 Property at any other time, as the Property was owner occupied and it did not have an
17 MLS lockbox.

18 20. In summary, instead of inspecting the subject Property himself as required,
19 Respondent had an unlicensed appraiser-intern do so; and, instead of truthfully disclosing
20 such assistance received, Respondent failed to disclose any of the same in the Appraisal
21 Report and falsely stated that he personally undertook the inspection.

22 21. Second, there are several issues with Respondent's records and record
23 keeping, including that:

24 A. the signature date of the Appraisal Report provided by the Respondent to the
25 Division differs from the date on the same document provided with a copy of the
26 Complaint;

27 B. while the Appraisal Report that Respondent provided to the Division includes
28 an addendum titled Response to Lender, the work file obtained does not include

1 the client's request, referred to in the Response to Client Addendum; and

2 C. only the Appraisal Report provided with the Complaint includes complete
3 pages, as the pages provided by the Respondent are incomplete copies, with the
4 information on the bottom portion of pages not legible –for example, the final
5 page of the documentation does not include the Respondent's address, the
6 appraised value, or the lender/client information.

7 22. Third, Respondent's Appraisal Report is also missing any evidence of
8 analysis and computations regarding how the eight (8) specific areas of adjustments
9 contained in the grid section of Respondent's Appraisal Report: size of site adjustments
10 (or lack thereof), bath count adjustment, gross living area adjustment (or lack thereof),
11 garage count adjustments, covered patio/shed, pool (or lack thereof), fireplace (or lack
12 thereof), and upgrades (or lack thereof)) were actually developed and quantified.

13 23. Fourth, while the Respondent's Appraisal Report notes that vacant land
14 comparables were researched and states a site value of \$ 40,000.00, Respondent's work
15 file includes no supporting data or analysis regarding comparable site sales.

16 24. Fifth, Respondent's cost approach reports the source of cost data as Marshall
17 and Swift, the Respondent's work file includes no supporting information or analysis
18 regarding the replacement cost developed, utilizing the Marshall and Swift cost analysis
19 program or handbook.

20 25. Sixth, while the Respondent's Appraisal Report states that "pools are very
21 limited of similar properties (sic) in the subject's market area," subsequent review found
22 at least 5 homes with pools in the same subject market defined by the Respondent.

23 26. Seventh, while the Respondent's stated cost approach provides that the as-is
24 value of site improvements is \$ 5,000.00, the Appraisal Report and work file is
25 inconsistent as to which improvements it notes and highlights and fails to contain
26 supporting information or analysis regarding site improvement estimates.

27 27. Eighth, while the Appraisal Report notes that the property values are
28 increasing, it does not reconcile the reasoning as to why the sales comparison approach

1 does not contain date of sale and time adjustments.

2 28. Ninth, given that the Appraisal Report contains no commentary as to why
3 such date and time adjustments were not made, it leaves doubts as to whether the value
4 as determined is supported by the sales comparison approach or a further increase would
5 be supported by date and time adjustments to the same.

6 29. Tenth, given the foregoing, the sales comparison approach is not credible, as
7 the intended user cannot rely on the results, due to insufficient analysis and lack of
8 explanation relative to date and time element of the analysis.

9 30. Eleventh, the Appraisal Report and work file do not contain any evidence of
10 any analysis (paired sales, statistical analysis, cost data) that would support adjustments
11 made or not made.

12 31. Twelfth, while in Respondent's Appraisal Report the highest and best use
13 box is checked, such opinion was not developed but merely reported, as there is no
14 discussion within the report or any evidence in the work file included as to how such
15 determination was made, including relevant property characteristics.

16 32. Thirteenth, Respondent's work file provides no specific evidence for the site
17 value.

18 33. Fourteenth, while Respondent reports no pool in his cost approach, a pool
19 exists.

20 34. Fifteenth, the subject Property is next to vacant land, and, yet there is no
21 zoning information relative to such vacant land nor an analysis of the effect of such
22 vacant land (including anticipated improvements) on the value of the subject Property.

23 35. Sixteenth, while the Respondent states in his Appraisal Report that the
24 "income approach was not developed," he does not reconcile the applicability or
25 sustainability of the approaches.

26 36. Seventeenth, the Respondent also does not report any of the same.

27 37. Eighteenth, in his Appraisal Report, the Respondent also fails to identify
28 whether his report is an "appraisal report" or a "restricted report", even though the same

1 needs to be prominently identified.

2 38. Nineteenth, there is no evidence in the Appraisal Report or work file that
3 supports any analysis or opinions.

4 39. Twentieth, the Appraisal Report does not reconcile the selected comparable
5 sales data.

6 40. Twenty first, instead of discussing the quality and quantity of data, the
7 reconciliation comments infer a value based on a price per square foot basis.

8 41. Twenty second, the reconciliation also does not include an analysis as to why
9 the opinion of value is better stated at the specified price per square foot value point,
10 rather than any other point within the comparable sales' adjusted sales price range.

11 42. Twenty third, such value conclusion is deficient, as it does not allow the
12 intended user to understand the respondent's value opinion based on a thorough
13 discussion of how the data was used, its application to the subject, or how the approach
14 applies.

15 43. Twenty fourth, while the Respondent must report and reconcile the
16 applicability and suitability of the approaches, methods, and techniques used to arrive at
17 the value conclusion, there is no evidence in the Appraisal Report that adequately
18 explains the exclusion of the cost or the income approach.

19 44. Twenty fifth, it is also concerning that some data to the work file was only
20 added after the Complaint was filed.

21 **III. CONCLUSIONS OF LAW**

22 The Commission, based upon the preponderance of evidence, makes the following
23 legal conclusions:

24 1. The Division properly served notice, via certified mail, of the underlying
25 Complaint upon Respondent at his last known address on file with the Division pursuant
26 to NRS 645C.500(5).

27 2. Based upon the Respondent's failure to appear at the scheduled hearing on
28 April 26, 2022, default is hereby entered against the Respondent pursuant to NRS

1 645C.502 and all charges specified in the Complaint are considered as true.

2 **3. First Violation**

3 The USPAP ETHICS RULE requires that an appraiser “[m]ust not perform an
4 assignment in a grossly negligent manner.”

5 Instead of inspecting the subject Property himself as required, Respondent had an
6 unlicensed appraiser-intern do so; and, instead of truthfully disclosing such assistance
7 received, Respondent failed to disclose any of the same in the Appraisal Report and
8 falsely stated that he undertook the inspection.

9 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
10 disciplinary action, pursuant to Nevada Revised Statutes (“NRS”) 645C.460(1)(a) and/or
11 (b).

12 **4. Second Violation**

13 The USPAP RECORD KEEPING RULE requires that an appraiser must prepare a
14 work file for each appraisal review assignment. The work file must be in existence prior to
15 the issuance of any report or other communication of assignment results. The work file
16 must include true copies of all written reports along with all other data, information, and
17 documentation necessary to support the appraiser’s opinions and conclusions and to show
18 compliance with USPAP, or references to the location(s) of such other data, information,
19 and documentation.

20 There are several issues with Respondent’s records and record keeping, including
21 that:

22 A. the signature date of the Appraisal Report provided by the Respondent to
23 the Division differs from the date on the same document provided with a copy of the
24 Complaint;

25 B. while the Appraisal Report that Respondent provided to the Division
26 includes an addendum titled Response to Lender, the work file obtained does not include
27 the client’s request, referred to in the Response to Client addendum; and

28 C. only the Appraisal Report provided with the Complaint includes complete

1 pages, as the pages provided by the Respondent are incomplete copies, with the
2 information on the bottom portion of pages not legible –for example, the final page of the
3 documentation does not include the Respondent’s address, the appraised value, or the
4 lender/client information.

5 Respondent’s Appraisal Report is also missing any evidence of analysis and
6 computations regarding how the eight (8) specific areas of adjustments contained in the
7 grid section of Respondent’s Appraisal Report: size of site adjustments (or lack thereof),
8 bath count adjustment, gross living area adjustment (or lack thereof), garage count
9 adjustments, covered patio/shed, pool (or lack thereof), fireplace (or lack thereof), and
10 upgrades (or lack thereof) were actually developed and quantified.

11 While the Respondent’s Appraisal Report notes that vacant land comparables were
12 researched and states a site value of \$40,000.00, Respondent’s work file includes no
13 supporting data or analysis regarding comparable site sales.

14 Respondent’s cost approach also reports the source of cost data as Marshall and
15 Swift, the Respondent’s work file includes no supporting information or analysis
16 regarding the replacement cost developed, utilizing the Marshall and Swift cost analysis
17 program or handbook.

18 While the Respondent’s stated cost approach provides that the as-is value of site
19 improvements is \$5,000.00, the Appraisal Report and work file is inconsistent as to which
20 improvements it notes and highlights and fails to contain supporting information or
21 analysis regarding site improvement estimates.

22 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
23 disciplinary action, pursuant to Nevada Revised Statutes (“NRS”) 645C.460(1)(a) and/or
24 (b).

25 5. Third Violation

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

1 The Respondent violated USPAP Standards Rule 1-1(a), as codified in NAC
2 645C.405(1), by delegating the inspection of the Property to an unlicensed appraiser-
3 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to
4 disclose any of the same in the Appraisal Report and falsely stated that he undertook the
5 inspection himself.

6 While the Appraisal Report notes that the property values are increasing, it does
7 not reconcile the reasoning as to why the sales comparison approach does not contain date
8 of sale and time adjustments.

9 Given that the Appraisal Report contains no commentary as to why such date and
10 time adjustments were not made, it leaves doubts as to whether the value as determined
11 is supported by the sales comparison approach or a further increase would be supported
12 by date and time adjustments to the same.

13 Given the foregoing, the sales comparison approach is not credible, as the intended
14 user cannot rely on the results due to insufficient analysis and lack of explanation
15 relative to date and time elements of the analysis.

16 The Appraisal Report and work file do not contain any evidence of any analysis
17 (paired sales, statistical analysis, cost data) that would support adjustments made or not
18 made.

19 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
20 disciplinary action, pursuant to Nevada Revised Statutes (“NRS”) 645C.460(1)(a) and/or
21 (b).

22 6. Fourth Violation

23 USPAP Standards Rule 1-1(b) requires that in developing a real property
24 appraisal, an appraiser must: (b) not commit a substantial error or omission or
25 commission that significantly affects the appraisal.

26 The Respondent violated USPAP Standards Rule 1-1(b), as codified in NAC
27 645C.405(1), by delegating the inspection of the Property to an unlicensed appraiser-
28 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to

1 disclose any of the same in the Appraisal Report and falsely stated that he undertook the
2 inspection himself.

3 While the Appraisal Report notes that the property values are increasing, it does
4 not reconcile the reasoning as to why the sales comparison approach does not contain date
5 of sale and time adjustments.

6 Given that the Appraisal Report contains no commentary as to why such date and
7 time adjustments were not made, it leaves doubts as to whether the value as determined
8 is supported by the sales comparison approach or a further increase would be supported
9 by date and time adjustments to the same.

10 Given the foregoing, the sales comparison approach is not credible, as the intended
11 user cannot rely on the results due insufficient analysis and lack of explanation relative
12 to date and time elements of the analysis.

13 The Appraisal Report and work file do not contain any evidence of any analysis
14 (paired sales, statistical analysis, cost data) that would support adjustments made or not
15 made.

16 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
17 disciplinary action, pursuant to Nevada Revised Statutes (“NRS”) 645C.460(1)(a) and/or
18 (b).

19 7. Fifth Violation

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

24 The Respondent violated USPAP Standards Rule 1-1(c), as codified in NAC
25 645C.405(1), by delegating the inspection of the Property to an unlicensed appraiser-
26 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to
27 disclose any of the same in the Appraisal Report and falsely stated that he undertook the
28 inspection himself.

1 While the Appraisal Report notes that the property values are increasing, it does
2 not reconcile the reasoning as to why the sales comparison approach does not contain date
3 of sale and time adjustments.

4 Given that the Appraisal Report contains no commentary as to why such date and
5 time adjustments were not made, it leaves doubts as to whether the value as determined
6 is supported by the sales comparison approach or a further increase would be supported
7 by date and time adjustments to the same.

8 Given the foregoing, the sales comparison approach is not credible, as the intended
9 user cannot rely on the results due insufficient analysis and lack of explanation relative
10 to date and time elements of the analysis.

11 The Appraisal Report and work file do not contain any evidence of any analysis
12 (paired sales, statistical analysis, cost data) that would support adjustments made or not
13 made.

14 The Respondent's actions constitute professional incompetence pursuant to NRS
15 645C.470(3) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
16 (b).

17 8. Sixth Violation

18 USPAP Standards Rule 1-3(b) requires an appraiser to develop an opinion of the
19 highest and best use of the property.

20 In violation of USPAP Standards Rule 1-3(b), while in the Respondent's Appraisal
21 Report the highest and best use box is checked, such opinion was not developed but
22 merely reported, as there is no discussion within the report or any evidence in the work
23 file included as to how such determination was made, including relevant property
24 characteristics.

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

28 9. Seventh Violation

1 USPAP Standards Rule 1-4(a) states that in developing a real property appraisal,
2 an appraiser must collect, verify, and analyze all information necessary for credible
3 assignment results. When a sales comparison approach is necessary for credible
4 assignment results, an appraiser must analyze such comparable sales data as are
5 available and indicate a value conclusion.

6 Respondent violated USPAP Standards Rule 1-4(a), by delegating the inspection of
7 the Property to an unlicensed appraiser-intern; and, instead of truthfully disclosing such
8 assistance received, Respondent failed to disclose any of the same in the Appraisal Report
9 and falsely stated that he undertook the inspection himself.

10 While the Appraisal Report notes that the property values are increasing, it does
11 not reconcile the reasoning as to why the sales comparison approach does not contain date
12 of sale and time adjustments.

13 Given that the Appraisal Report contains no commentary as to why such date and
14 time adjustments were not made, it leaves doubts as to whether the value as determined
15 is supported by the sales comparison approach or a further increase would be supported
16 by date and time adjustments to the same.

17 Given the foregoing, the sales comparison approach is not credible, as the intended
18 user cannot rely on the results due insufficient analysis and lack of explanation relative
19 to date and time element of the analysis.

20 The Appraisal Report and work file do not contain any evidence of any analysis
21 (paired sales, statistical analysis, cost data) that would support adjustments made or not
22 made.

23 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
24 disciplinary action, pursuant to Nevada Revised Statutes (“NRS”) 645C.460(1)(a) and/or
25 (b).

26 **10. Eighth Violation**

27 USPAP Standards Rule 1-4(b) states that in developing a real property appraisal,
28 an appraiser must collect, verify, and analyze all information necessary for credible

1 assignment results. When a cost approach is necessary for credible assignment results, an
2 appraiser must: (i) develop an opinion of site value by an appropriate appraisal method or
3 technique.

4 In violation of USPAP Standards Rule 1-4(b), while the Respondent's Appraisal
5 Report notes that vacant land comparables were researched and states a site value of \$
6 40,000.00, Respondent's work file includes no supporting data or analysis regarding
7 comparable site sales.

8 Respondent's cost approach also reports the source of cost data as Marshall and
9 Swift, the Respondent's work file includes no supporting information or analysis
10 regarding the replacement cost developed, utilizing the Marshall and Swift cost analysis
11 program or handbook.

12 While the Respondent's stated cost approach provides that the as-is value of site
13 improvements is \$5,000.00, the Appraisal Report and work file is inconsistent as to which
14 improvements it notes and highlights and fails to contain supporting information or
15 analysis regarding site improvement estimates.

16 The cost approach failed to include the pool and notate what is included with the
17 "as is" value of site improvements.

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

21 **11. Ninth Violation**

22 USPAP Standards Rule 1-4(f) requires that, when analyzing anticipated public or
23 private improvements, located on or off site, an appraiser must analyze the effect on
24 value, if any, of such anticipated improvements to the extent they are reflected in market
25 actions.

26 In violation of USPAP Standards Rule 1-4(f), while the subject Property is next to
27 vacant land, the zoning or potential use of such contiguous land is not reported. There is
28 no zoning information relative to such vacant land nor an analysis of the effect of such

1 vacant land (including anticipated improvements) on the value of the subject Property.

2 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for
3 disciplinary action, pursuant to Nevada Revised Statutes (“NRS”) 645C.460(1)(a) and/or
4 (b).

5 **12. Tenth Violation**

6 USPAP Standards Rule 1-6(a) and (b) states that, in developing a real property
7 appraisal, an appraiser must (a) reconcile the quality and quantity of data available and
8 analyzed within the approaches used; and (b) reconcile the applicability and relevance of
9 the approaches, methods and techniques used to arrive at the value conclusions.

10 Respondent violated USPAP Standards Rule 1-6(a), as codified in NAC
11 645C.405(1), as the Appraisal Report does not reconcile the selected comparable sales
12 data. Instead of discussing the quality and quantity of data, the reconciliation comments
13 infer a value based on a price per square foot basis. Such “reconciliation” also does not
14 include an analysis as to why the opinion of value is better stated at the specified price
15 per square foot value point, rather than any other point within the comparable sales’
16 adjusted sales price range.

17 Such value conclusion is deficient, as it does not allow the intended user to
18 understand the respondent's value opinion based on a thorough discussion of how the
19 data was used, its application to the subject, or how the approach applies.

20 The Respondent’s actions constitute unprofessional conduct pursuant to NRS
21 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
22 (b).

23 **13. Eleventh Violation**

24 USPAP Standards Rule 1-6(a) and (b) states that, in developing a real property
25 appraisal, an appraiser must (a) reconcile the quality and quantity of data available and
26 analyzed within the approaches used; and (b) reconcile the applicability and relevance of
27 the approaches, methods and techniques used to arrive at the value conclusions.

28 Respondent violated USPAP Standards Rule 1-6(b), as codified in NAC

1 645C.405(1), by while the Respondent states in his Appraisal Report that the "income
2 approach was not developed," he does not reconcile the applicability or sustainability of
3 the approaches.

4 While the Respondent must report and reconcile the applicability and suitability of
5 the approaches, methods, and techniques used to arrive at the value conclusion, there is
6 no evidence in the Appraisal Report that adequately explains the exclusion of the cost or
7 the income approach, albeit the Respondent claims, without any evidence, that he
8 developed the cost approach.

9 The Respondent's actions constitute unprofessional conduct pursuant to NRS
10 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
11 (b).

12 14. Twelfth Violation

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

16 The Appraisal Report is misleading and Respondent violated USPAP Standards
17 Rule 2-1(a), by delegating the inspection of the Property to an unlicensed appraiser-
18 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to
19 disclose any of the same in the Appraisal Report and falsely stated that he undertook the
20 inspection himself.

21 While the Appraisal Report notes that the property values are increasing, it does
22 not reconcile the reasoning as to why the sales comparison approach does not contain date
23 of sale and time adjustments.

24 Given that the Appraisal Report contains no commentary as to why such date and
25 time adjustments were not made, it leaves doubts as to whether the value as determined
26 is supported by the sales comparison approach or a further increase would be supported
27 by date and time adjustments to the same.

28 Given the foregoing, the sales comparison approach is not credible, as the intended

1 user cannot rely on the results due insufficient analysis and lack of explanation relative
2 to date and time element of the analysis.

3 The Appraisal Report and work file do not contain any evidence of any analysis
4 (paired sales, statistical analysis, cost data) that would support adjustments made or not
5 made.

6 The Respondent's actions constitute unprofessional conduct pursuant to NRS
7 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
8 (b).

9 **15. Thirteenth Violation**

10 USPAP Standards Rule 2-2(a)(viii) requires that the appraiser summarize the
11 information analyzed, the appraiser methods and techniques employed, and the reasoning
12 that supports the analysis, opinions, and conclusions; exclusion of the sales comparison
13 approach, cost approach, or income approach must be explained.

14 Respondent violated USPAP Standards Rule 2-2(a)(viii), as codified in NAC
15 645C.405(1).

16 While the Respondent must report and reconcile the applicability and suitability of
17 the approaches, methods, and techniques used to arrive at the value conclusion, there is
18 no evidence in the Appraisal Report that adequately explains the exclusion of the cost or
19 the income approach, albeit the Respondent claims, without any evidence, that he
20 developed the cost approach.

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

24 **16. Fourteenth Violation**

25 USPAP Standards Rule 2-2(a)(x) requires when an opinion of highest and best use
26 was developed by the appraiser, it must describe the support and rationale for that
27 opinion.

28 In violation of USPAP Standards Rule 2-2(a)(x), as codified in NAC 645C.405(1),

1 while in Respondent's Appraisal Report the highest and best use box is checked, such
2 opinion was not developed but merely reported, as there is no discussion within the report
3 or any evidence in the work file included as to how such determination was made,
4 including relevant property characteristics.

5 The Respondent's actions constitute unprofessional conduct pursuant to NRS
6 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
7 (b).

8 **ORDER**

9 IT IS HEREBY ORDERED that Respondent shall pay the Division a total amount
10 of \$ 4,249.90. This total amount reflects no specific fine amounts for committing any of
11 the above-stated fourteen (14) violations of law, but \$ 4,249.90 for hearing and
12 investigative costs. Respondent shall pay the total amount within six (6) months of the
13 effective date of this Order. The Division may institute debt collection proceedings for
14 failure to timely pay the above listed hearing and investigative costs.

15 IT IS HEREBY FURTHER ORDERED that Respondent's Certified Residential
16 Appraiser, License No. A.0003642-CR is hereby revoked, effective thirty (30) days from
17 the date of this Order, pursuant to NRS 645C.520.

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

20 Pursuant to NRS 645C.520, this Order shall become effective thirty (30) days from
21 the date of this Order, on the 8th day of June, 2022.

22 DATED this 9th day of May, 2022.

23 COMMISSION OF APPRAISERS OF REAL ESTATE
24 STATE OF NEVADA

25 By: Scott Huggins
26 President, Commission of Appraisers of Real Estate
27
28