

BEFORE THE REAL ESTATE COMMISSION

STATE OF NEVADA

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

Petitioner,

vs.

STEVEN M. ORTEGA  
(License No. A.0007017-CR),

Respondent.

Case No. 2019-998, AP20.009.S

STIPULATION AND ORDER  
FOR SETTLEMENT  
OF DISCIPLINARY ACTION

**FILED**

OCT 19 2022

NEVADA COMMISSION OF APPRAISERS

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This Stipulation for Settlement of Disciplinary Action (this "Stipulation") is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division ("Division"), through its Administrator Sharath Chandra ("Petitioner"), by and through their attorney of record, Louis V. Csoka, Deputy Attorney General, and Steven M. Ortega ("RESPONDENT").

RESPONDENT, at all relevant times mentioned in this Complaint, was licensed by the Division as a Licensed Residential Appraiser. He is therefore subject to the jurisdiction of the Division and the Commission and the provisions of NRS chapter 645C and NAC chapter 645C.

**SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT**

1. The Respondent is licensed by the Division as a Certified Residential Appraiser, License No. A.0007017-CR.
2. The Respondent's Appraisal Report was prepared for a single-family residence located at 6145 Duncan Drive, Las Vegas, Nevada 89108, APN 138-11-603-003 ("Property").
3. The gross living area of the Property is recorded as 4,110 square feet.
4. The assignment type is identified as "estimate of value."

1           5.       The effective date of Respondent's Appraisal Report is identified as November  
2 8, 2018, and the signature date is November 13, 2018.

3           6.       The Respondent's Appraisal Report states the appraised value is \$ 800,000.00.

4           7.       Respondent's Appraisal Report contains significant errors, as summarized  
5 herein.

6           8.       Among other issues, the Respondent's work file contains no data, information,  
7 or documentation indicating a client or intended user.

8           9.       Respondent's work file contains no engagement letter, e-mail, or handwritten  
9 notes indicating the client, intended user, or intended use.

10          10.      Respondent's work file does not contain a disclosure to the client that a lender  
11 or its agent is required to directly engage the services of an appraiser in a federally-related  
12 transaction.

13          11.      The intended use is not included in the work file nor reported correctly in the  
14 Appraisal Report.

15          12.      While the Respondent made adjustments for the gross living area, site size,  
16 view, number of stories, bathroom count, garage capacity, number of fireplaces, on-site  
17 amenities, covered patio/balcony, and upgrades, Respondent's work file contains no data,  
18 information, or documentation to support these adjustments.

19          13.      The intended use of Respondent's Appraisal Report is unclear.

20          14.      The wording used as to intended use is generic and not specific to the  
21 assignment -while wording in one place references mortgage finance transaction, the  
22 Appraisal Report still appears to have been performed for the homeowner and not for  
23 mortgage underwriting.

24          15.      Further, while the living space in the garage has improvements to the same  
25 level as the main living area of the subject Property, Respondent's work file contains no  
26 explanation as to why all of such improved area still classified as garage space and not  
27 living area.

28          16.      In particular, while the garage appears to be both a garage and a casita, as

1 reflected in the Respondent's description, that the garage includes "finished floors . . . ,  
2 lighting, . . . [air conditioning] and heating unit, . . . a storage room, bedroom with wet bar  
3 and full bath. The wet bar has granite countertops. The bath features granite countertops  
4 and marble surrounds."

5 17. Yet, with such features, the living area described in the garage creates an  
6 additional detached gross living area and diminishes garage capacity, which is not  
7 accounted for in the Appraisal Report.

8 18. Respondent also fails to properly delineate the relevant neighborhood, as to  
9 adjustments being made.

10 19. In particular, while the neighborhood specified in the Respondent's Appraisal  
11 Report is an extensive geographic area, it is beyond what the market would consider the  
12 subject neighborhood.

13 20. Further, there is no statement indicating the extent of data researched in  
14 terms of comparable criteria searched in the Multiple Listing Service.

15 21. The Respondent's Appraisal Report and work file contain little to no analysis  
16 used to arrive at the opinions and conclusions.

17 22. Such lack of analysis suggest that the market-derived adjustments were not  
18 used but adjustments are automatic or standard adjustments.

19 23. While the Respondent certifies that he had utilized market-derived  
20 adjustments, there is no analysis within the Appraisal Report or work file to support this  
21 certification.

22 24. There is no explanation or support as to how certain significant condition  
23 adjustment was developed.

24 25. Condition upgrade to comparable sales are also not properly accounted for  
25 relative to the instant appraisal.

26 26. The Appraisal Report also contains a series of other errors.

27 27. First, while the Appraisal Report lists the neighborhood as custom, the  
28 neighborhood name should be how the market identifies the area and not a generic

1 description of the area.

2 28. Second, while the subject Property is incorrectly noted as 20,171 square feet,  
3 the public records show 20,038 square feet.

4 29. Third, while the Appraisal Report states the “subject is typical in shape, size,  
5 and topography for the subdivision,” the subject property is not located within a planned  
6 subdivision.

7 30. Fourth, while the Property’s description and building sketch indicate up to  
8 four (4) improvements, Respondent had checked only one (1) improvement in his general  
9 description section.

10 31. Fifth, given the renovations at the Property, the subject age of the Property  
11 should be lower than the original age of forty-one (41) that Respondent had checked in his  
12 Appraisal Report.

13 32. Sixth, while the Respondent’s Appraisal states for comparable sales days on  
14 the market as 1 to 49 days in the sale comparison section, the Multiple Listing Service  
15 indicates 1 to 90 days.

16 33. Seventh, while Respondent states the subject Property has not been listed in  
17 the past year, the Property had been listed in the prior year (i.e., August 24, 2018).

18 34. Eighth, while the Respondent states gross living area for listing 1 as 3,982  
19 square feet (without distinguishing types of areas), listing 1 has an above-ground gross  
20 living area of 2,212 square feet and only a finished basement of 1,770 square feet.

21 35. Ninth, while Respondent represents some comparable sales as being in a  
22 Planned Unit Development (“PUD”), a number of comparable properties and the Property  
23 are not in such a PUD.

24 36. Further, there is no analysis of supply and demand in the Appraisal Report.

25 37. Given that there was a nine-month supply, the supply and demand should  
26 state that there was an oversupply.

27 38. If there is an oversupply, the marked time of under three months, as the  
28 Respondent’s checked boxes indicate, is not applicable.



1 education, the RESPONDENT will submit one (1) month of appraisal logs. The Division  
2 will select from those logs random appraisals to be reviewed for USPAP compliance, unless  
3 the Division finds additional issues with the appraisals reviewed, in which event the  
4 Division shall be permitted to pursue additional investigation

5 4. RESPONDENT and the Division agree that by entering into this Stipulation,  
6 the Division does not concede any defense or mitigation RESPONDENT may assert and  
7 that, once this Stipulation is approved and fully performed, the Division will close its files  
8 in these matters, provided that, if any further violations are discovered in these matters  
9 beyond the scope of facts and violations already plead in the Complaints, the Division is  
10 not barred from further reviewing any of the same to determine if any such further  
11 violations not already covered in the Complaints have taken place and should subject  
12 RESPONDENT to further disciplinary action.

13 5. RESPONDENT agrees and understands that by entering into this  
14 Stipulation, RESPONDENT is waiving his right to a hearing in each matter at which  
15 RESPONDENT may present evidence in his defense, his right to a written decision on the  
16 merits of the complaint, his rights to reconsideration and/or rehearing, appeal and/or  
17 judicial review, and all other rights which may be accorded by the Nevada Administrative  
18 Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and  
19 accompanying regulations, and the federal and state Constitutions.

20 6. RESPONDENT understands that this Agreement and other documentation  
21 may be subject to public records laws. The Commission members who review this matter  
22 for approval of this Stipulation may be the same members who ultimately hear, consider,  
23 and decide the Complaints if this Stipulation is either not approved by the Commission or  
24 is not timely performed by RESPONDENT.

25 7. RESPONDENT fully understands that he has the right to be represented by  
26 legal counsel in these matters at his own expense.

27 8. Each party shall bear their own attorney's fees and costs, except as provided  
28 above.

1           9.     Approval of Stipulation. Once executed, this Stipulation will be filed with the  
2 Commission and will be placed on the agenda for approval at its next public meeting. The  
3 Division will recommend to the Commission approval of the Stipulation. RESPONDENT  
4 agrees that the Commission may approve, reject, or suggest amendments to this  
5 Stipulation that must be accepted or rejected by RESPONDENT before any amendment is  
6 effective.

7           10.    Withdrawal of Stipulation. If the Commission rejects this Stipulation or  
8 suggests amendments unacceptable to RESPONDENT, RESPONDENT may withdraw  
9 from this Stipulation, and the Division may pursue its Complaints before the Commission.  
10 This Stipulation then shall become null and void and unenforceable in any manner against  
11 either party.

12           11.    Release. In consideration of the execution of this Stipulation, RESPONDENT  
13 for himself, his heirs, executors, administrators, successors, and assigns, hereby releases,  
14 remises, and forever discharges the State of Nevada, the Department of Business and  
15 Industry, and the Division, and each of their respective members, agents, employees, and  
16 counsel in their individual and representative capacities, from any and all manner of  
17 actions, causes of action, suits, debts, judgments, executions, claims, and demands  
18 whatsoever, known and unknown, in law or equity, that RESPONDENT ever had, now has,  
19 may have, or claim to have against any or all of the persons or entities named in this  
20 section, arising out of or by reason of the Division's investigations, these disciplinary  
21 actions, and all other matters relating thereto.

22           12.    Indemnification. RESPONDENT hereby agrees to indemnify and hold  
23 harmless the State of Nevada, the Department of Business and Industry, Petitioner, the  
24 Division, and each of their respective members, agents, employees, and counsel, in their  
25 individual and representative capacities, against any and all claims, suits, and actions  
26 brought against said persons and/or entities by reason of the Division's investigations,  
27 these disciplinary actions, and all other matters relating thereto, and against any and all  
28 expenses, damages, and costs, including court costs and attorney fees, which may be

1 sustained by the persons and/or entities named in this section as a result of said claims,  
2 suits, and actions.

3 13. Default. In the event of default under this Stipulation, **RESPONDENT** agrees  
4 that his license shall be immediately suspended, and the unpaid balance of the  
5 administrative fine and costs, together with any attorneys' fees and costs that may have  
6 been assessed, shall be due in full to the Division within ten calendar days of the date of  
7 default. Debt collection actions for unpaid monetary assessments in this case may be  
8 instituted by the Division or its assignee.

9 14. **RESPONDENT** has signed and dated this Stipulation only after reading and  
10 understanding all terms herein.

11 DATED this 12 day of ~~September~~ <sup>OCTOBER</sup>, 2022. DATED this 29 day of ~~September~~, 2022

12  
13 NEVADA DEPARTMENT OF BUSINESS  
& INDUSTRY REAL ESTATE DIVISION

14  
15 By:   
16 SHARATH CHANDRA  
Administrator

17  
18   
19 STEVEN M. ORTEGA

20 Approved as to form:

21 AARON D. FORD  
22 Attorney General

23 By: /s/ Louis V. Csoka  
24 LOUIS V. CSOKA (Bar. No. 7667)  
Deputy Attorney General  
555 E. Washington Avenue, Suite 3900  
Las Vegas, NV 89101  
Attorneys for Real Estate Division

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ORDER

IT IS ORDERED that the foregoing Stipulation and Order for Settlement of Disciplinary Action, submitted by Petitioner and Respondent, is approved in full.

Dated: October 18, 2022.

COMMISSION OF APPRAISERS OF REAL ESTATE  
STATE OF NEVADA

By:   
President, Commission of Appraisers of Real Estate

Submitted by:

AARON FORD, Attorney General

By:

/s/ Louis V. Csoka

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