

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   Petitioner,

9 vs.

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

12   Respondent.

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

**COMPLAINT AND NOTICE OF  
HEARING**

**FILED**

MAR 21 2022

NEVADA COMMISSION OF APPRAISERS

*Kerry Valadez*

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

22   **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.

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## PROCEDURAL HISTORY

1  
2 1. On or about July 27, 2018, the Division received a complaint/statement of  
3 fact from a Holly Haman-Fetzer (collectively, the "Complainant"), asserting that the  
4 Respondent completed a uniform residential appraisal report ("Appraisal Report") that  
5 had improperly valued a home for which Complainant was the listing agent.

6 2. The Division commissioned a Standard 3 Review of the underlying appraisal  
7 performed by the Respondent.

8 3. On June 26, 2020, the Appraisal Advisory Review Committee ("AARC") held  
9 a meeting relative to the Complaint, finding that Complaint was meritorious and that the  
10 Respondent had committed a series of violations of the Uniform Standards of Professional  
11 Appraisal Practice ("USPAP").

12 4. On July 17, 2020, based on Respondent's stated desire to resolve the matter,  
13 the Division sent a Stipulation for Settlement of Disciplinary Action to Respondent (the  
14 "Stipulated Agreement"), to terminate the Complaint matter.

15 5. On August 17, 2020, the Stipulated Agreement was returned to the Division  
16 undelivered, stating vacant and unable to forward.

17 6. Since that time, the Division made several further attempts to contact the  
18 Respondent and deliver the Stipulated Agreement.

19 7. However, each follow up e-mail to Respondent's e-mail address on file with  
20 the Division went unanswered, each follow up call to Respondent's telephone number on  
21 file with the Division was unsuccessful and no message could be left (with Respondent's  
22 recording indicating that "voice mailbox full"), and each attempt to mail to address on file  
23 with Division apparently not delivered.

24 8. At the same time, while Respondent was aware that Stipulated Agreement  
25 would be coming from the Division, he also did not further follow up with the Division.

26 9. Accordingly, the Division requested that this matter be heard by the  
27 Commission.

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## FACTUAL ALLEGATIONS

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

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

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

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

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

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

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

8. First, while Respondent certified in his Appraisal Report that he had personally inspected the subject Property, Respondent **did not** inspect the subject Property whatsoever.

9. Specifically, instead of inspecting the Property, Respondent delegated the inspection to an unlicensed person.

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

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

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

13. Instead, Respondent specifically avows that he had "performed a *complete*

1 *visual inspection* of the interior and exterior areas of the subject property.”

2 14. Notwithstanding, Respondent could not even have inspected the subject  
3 Property at any other time, as the Property was owner occupied and it did not have an  
4 MLS lockbox.

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

9 16. Second, there are several issues with Respondent’s records and record  
10 keeping, including that:

11 A. the signature date of the Appraisal Report provided by the Respondent to the  
12 Division differs from the date on the same document provided with a copy of the  
13 Complaint;

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

17 C. only the Appraisal Report provided with the Complaint includes complete  
18 pages, as the pages provided by the Respondent are incomplete copies, with the  
19 information on the bottom portion of pages not legible –for example, the final  
20 page of the documentation does not include the Respondent’s address, the  
21 appraised value, or the lender/client information.

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

28 18. Fourth, while the Respondent’s Appraisal Report notes that vacant land

1 comparables were researched and states a site value of \$ 40,000.00, Respondent's  
2 work file includes no supporting data or analysis regarding comparable site sales.

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

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

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

14 22. Eighth, while the Appraisal Report notes that the property values are  
15 increasing, it does not reconcile the reasoning as to why the sales comparison approach  
16 does not contain date of sale and time adjustments.

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

21 24. Tenth, given the foregoing, the sales comparison approach is not credible, as  
22 the intended user cannot rely on the results, due to insufficient analysis and lack of  
23 explanation relative to date and time element of the analysis.

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

27 26. Twelfth, while in the Respondent's Appraisal Report the highest and best  
28 use box is checked, such opinion was not developed but merely reported, as there is no

1 discussion within the report or any evidence in the work file included as to how such  
2 determination was made, including relevant property characteristics.

3 27. Thirteenth, Respondent's work file provides no specific evidence for the site  
4 value.

5 28. Fourteenth, while Respondent reports no pool in his cost approach, a pool  
6 exists.

7 29. Fifteenth, the subject Property is next to vacant land, and, yet, there is no  
8 zoning information relative to such vacant land nor an analysis of the effect of such  
9 vacant land (including anticipated improvements) on the value of the subject Property.

10 30. Sixteenth, while the Respondent states in his Appraisal Report that the  
11 "income approach was not developed," he does not reconcile the applicability or  
12 sustainability of the approaches.

13 31. Seventeenth, the Respondent also does not report any of the same.

14 32. Eighteenth, in his Appraisal Report, the Respondent also fails to identify  
15 whether his report is an "appraisal report" or a "restricted report", even though the same  
16 needs to be prominently identified.

17 33. Nineteenth, there is no evidence in the Appraisal Report or work file that  
18 supports any analysis or opinions.

19 34. Twentieth, the Appraisal Report does not reconcile the selected comparable  
20 sales data.

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

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

26 37. Twenty third, such value conclusion is deficient, as it does not allow the  
27 intended user to understand the respondent's value opinion based on a thorough  
28 discussion of how the data was used, its application to the subject, or how the approach

1 applies.

2 38. Twenty fourth, while the Respondent must report and reconcile the  
3 applicability and suitability of the approaches, methods, and techniques used to arrive at  
4 the value conclusion, there is no evidence in the Appraisal Report that adequately  
5 explains the exclusion of the cost or the income approach.

6 40 39. Twenty fifth, it is also concerning that some data to the work file was  
7 only added after the Complaint was filed.

### 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 "[m]ust not perform an  
16 assignment in a grossly negligent manner."

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

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 Second Violation

25 The USPAP RECORD KEEPING RULE requires that an appraiser must prepare a  
26 work file for each appraisal review assignment. The work file must be in existence prior to  
27 the issuance of any report or other communication of assignment results. The work file  
28 must include true copies of all written reports along with all other data, information, and

1 documentation necessary to support the appraiser's opinions and conclusions and to show  
2 compliance with USPAP, or references to the location(s) of such other data, information,  
3 and documentation.

4 There are several issues with Respondent's records and record keeping, including  
5 that:

6 A. the signature date of the Appraisal Report provided by the Respondent to  
7 the Division differs from the date on the same document provided with a copy of the  
8 Complaint;

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

12 C. only the Appraisal Report provided with the Complaint includes complete  
13 pages, as the pages provided by the Respondent are incomplete copies, with the  
14 information on the bottom portion of pages not legible—for example, the final page of the  
15 documentation does not include the Respondent's address, the appraised value, or the  
16 lender/client information.

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

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

26 Respondent's cost approach also reports the source of cost data as Marshall and  
27 Swift, the Respondent's work file includes no supporting information or analysis  
28 regarding the replacement cost developed, utilizing the Marshall and Swift cost analysis



1 program or handbook.

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

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

### 9 Third Violation

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

13 The Respondent violated USPAP Standards Rule 1-1(a), as codified in NAC  
14 645C.405(1), by delegating the inspection of the Property to an unlicensed appraiser-  
15 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to  
16 disclose any of the same in the Appraisal Report and falsely stated that he undertook the  
17 inspection himself.

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

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

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

28 The Appraisal Report and work file do not contain an evidence of any analysis

1 (paired sales, statistical analysis, cost data) that would support adjustments made or not  
2 made.

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

#### 6 Fourth Violation

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

10 The Respondent violated USPAP Standards Rule 1-1(b), as codified in NAC  
11 645C.405(1), by delegating the inspection of the Property to an unlicensed appraiser-  
12 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to  
13 disclose any of the same in the Appraisal Report and falsely stated that he undertook the  
14 inspection himself.

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

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

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

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

28 This is unprofessional conduct pursuant to NRS 645C.470(2) and grounds for

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

### 3 Fifth Violation

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

8 The Respondent violated USPAP Standards Rule 1-1(c), as codified in NAC  
9 645C.405(1), by delegating the inspection of the Property to an unlicensed appraiser-  
10 intern; and, instead of truthfully disclosing such assistance received, Respondent failed to  
11 disclose any of the same in the Appraisal Report and falsely stated that he undertook the  
12 inspection himself.

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

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

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

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

26 The Respondent's actions constitute professional incompetence pursuant to NRS  
27 645C.470(3) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or  
28 (b).

1 **Sixth Violation**

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

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

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 **Seventh Violation**

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

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

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

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



1 "as is" value of site improvements.

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 **Ninth Violation**

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

10 In violation of USPAP Standards Rule 1-4(f), while the subject Property is next to  
11 vacant land, the zoning or potential use of such contiguous land is not reported. There is  
12 no zoning information relative to such vacant land nor an analysis of the effect of such  
13 vacant land (including anticipated improvements) on the value of the subject Property.

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

#### 17 **Tenth Violation**

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

22 Respondent violated USPAP Standards Rule 1-6(a), as codified in NAC  
23 645C.405(1), as the Appraisal Report does not reconcile the selected comparable sales  
24 data. Instead of discussing the quality and quantity of data, the reconciliation comments  
25 infer a value based on a price per square foot basis. Such "reconciliation" also does not  
26 include an analysis as to why the opinion of value is better stated at the specified price  
27 per square foot value point, rather than any other point within the comparable sales'  
28 adjusted sales price range.

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

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

#### 7 **Eleventh Violation**

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

12 Respondent violated USPAP Standards Rule 1-6(b), as codified in NAC  
13 645C.405(1), by while the Respondent states in his Appraisal Report that the "income  
14 approach was not developed," he does not reconcile the applicability or sustainability of  
15 the approaches.

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

#### 24 **Twelfth Violation**

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

28 The Appraisal Report is misleading and Respondent violated USPAP Standards

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

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

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

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

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

18 The Respondent's actions constitute unprofessional conduct pursuant to NRS  
19 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or  
20 (b).

### 21 **Thirteenth Violation**

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

26 Respondent violated USPAP Standards Rule 2-2(a)(viii), as codified in NAC  
27 645C.405(1).

28 While the Respondent must report and reconcile the applicability and suitability of



1 the approaches, methods, and techniques used to arrive at the value conclusion, there is  
2 no evidence in the Appraisal Report that adequately explains the exclusion of the cost or  
3 the income approach, albeit the Respondent claims, without any evidence, that he  
4 developed the cost approach.

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

#### 8 **Fourteenth Violation**

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

12 In violation of USPAP Standards Rule 2-2(a)(x), as codified in NAC 645C.405(1),  
13 while in Respondent's Appraisal Report the highest and best use box is checked, such  
14 opinion was not developed but merely reported, as there is no discussion within the report  
15 or any evidence in the work file included as to how such determination was made,  
16 including relevant property characteristics.

17 The Respondent's actions constitute unprofessional conduct pursuant to NRS  
18 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or  
19 (b).

#### 20 **DISCIPLINE AUTHORIZED**

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

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

1           3.       Therefore, the Division requests the Commission to impose such discipline as  
2 it determines is appropriate under the circumstances and to award the Division its costs  
3 and attorney's fees for this proceeding.

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

8           **THE HEARING WILL TAKE PLACE** at the Commission meeting scheduled  
9 for April 26th, 27th, and 28th, 2022, beginning at approximately 9:00 a.m. each  
10 day, or until such time as the Commission concludes its business.

11           The meeting will be located at the following locations:

12           Nevada State Business Center	<u>with Video Conference To:</u>
13           Real Estate Division	Department of Business & Industry
14           3300 West Sahara Avenue,	1818 College Parkway Ste.
15           4 <sup>th</sup> Floor, Tahoe Room	Suite 103
Las Vegas, Nevada 89102	Carson City, Nevada 89706

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

19           **STACKED CALENDAR:** Your hearing is one of several hearings that may  
20 be scheduled at the same time as part of a regular meeting of the Commission  
21 that is expected to take place on April 26-28, 2022. Thus, your hearing may be  
22 continued until later in the day or from day to day. It is your responsibility to  
23 be present when your case is called. If you are not present when your case is  
24 called, a default may be entered against you, and the Commission may decide  
25 the case as if all allegations in the complaint were true. If you need to negotiate  
26 a more specific time for your hearing in advance, because of coordination with  
27 out of state witnesses or the like, please call Kelly Valadez, Commission  
28 Coordinator, at (702) 486-4606.

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

7 As the Respondent, you are specifically informed that you have the right to appear  
8 and be heard in your defense, either personally or through your counsel of choice. At the  
9 hearing, the Division has the burden of proving the allegations in the complaint and will  
10 call witnesses and present evidence against you. You have the right to respond and to  
11 present relevant evidence and argument on all issues involved. You have the right to call  
12 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any  
13 matter relevant to the issues involved.

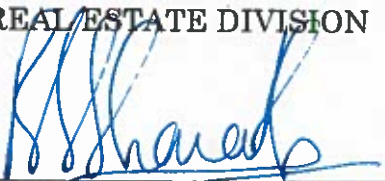
14 You have the right to request that the Commission issue subpoenas to compel  
15 witnesses to testify and/or evidence to be offered on your behalf. In making this request,  
16 you may be required to demonstrate the relevance of the witnesses' testimony and/or  
17 evidence. Other important rights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

19 DATED the 18 day of March 2022.

DATED the 18th day of March 2022.

21 NEVADA REAL ESTATE DIVISION

AARON D. FORD  
Attorney General

22  
23 By:   
24 SHARATH CHANDRA, Administrator  
25 3300 W. Sahara Avenue, Suite 350  
26 Las Vegas, Nevada 89102  
27 (702) 486-4033

By: /s/ Louis V. Csoka  
Louis V. Csoka, ESQ.,  
Deputy Attorney General  
BAR NO. 7667  
555 East Washington Ave.  
Las Vegas, Nevada 89101  
Telephone: (702) 486-3184  
*Attorneys for Real Estate Division*