

1 the comparable homes utilized for her analysis are the requisite "contemporary" homes,
2 but, instead, are all older "Mediterranean" style properties.

3 13. Additionally, even as to such older homes there is no style or age adjustment
4 whatsoever relative to the style and condition of the property.

5 14. Respondent also failed to adjust in her analysis for gross living areas of up to
6 415 square feet.

7 15. In fact, in Respondent's analysis, no comparable homes had any gross living
8 area adjustments.

9 16. Respondent also made no adjustments as the relative size of the property
10 sites.

11 17. In particular, Respondent did not adjust for lot size differences of up to one
12 hundred percent (100%).

13 18. Respondent also failed to fully analyze and report the prior land sale of the
14 subject site or its impact on the entire transaction, which required the owner to use the
15 specific custom home builder.

16 19. Although claiming in her Appraisal Report that "cash sales" *likely* have no
17 appraisals," Respondent did not further look into and consider "cash sales" or provide
18 supporting data for her stated assumption.

19 20. While claiming in her Appraisal Report that "no land sales currently
20 available," Respondent could have readily found twenty eight (28) land sales for single
21 family residence in the specifically defined market for the prior twelve (12) months, i.e.,
22 prior to the date of valuation.

23 21. Even though site value was readily available, the Respondent failed to
24 develop the site value and, instead, utilized an arbitrary land to improvement ratio of
25 twenty four percent (24%).

26 22. Respondent's adjustment for a golf-view home in the amount of \$19,000.00 is
27 also not credible, in so far as it did not utilize an adequate sample size.

28 23. Respondent's cost data is also incongruent and dated.

1 appraisal review assignment, an appraiser must: (1) identify the problem to be solved; (2)
2 determine and perform the scope of work necessary to develop credible assignment
3 results; and (3) disclose the scope of work in the report. An appraiser must properly
4 identify the problem to be solved in order to determine the appropriate scope of work. The
5 appraiser must be prepared to demonstrate that the scope of work is sufficient to produce
6 credible assignment results.

7 Respondent violated the USPAP SCOPE OF WORK RULE by failing to properly
8 identify the market segment, as a semi-custom contemporary custom home, whereas in
9 Southern Nevada, a contemporary home buyer specifically seeks out that style of
10 property, with such homes often being sold at a premium; by failing to account the
11 differences between "contemporary" and "Mediterranean" homes, differences which are
12 clearly differentiated by the market, whereby, within the sales grid section of
13 Respondent's data entries, none of the comparable homes utilized for her analysis are the
14 requisite "contemporary" homes, but are all older "Mediterranean" style properties,
15 making her work lack credibility.

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 **Fourth Violation**

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

23 The Respondent violated USPAP Standards Rule 1-1(a), as codified in NAC
24 645C.405(1), by failing to recognize the specific market for properties most similar to the
25 subject, i.e., semi-custom contemporary custom homes.

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

1 **Fifth Violation**

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

5 The Respondent violated USPAP Standards Rule 1-1(b), as codified in NAC
6 645C.405(1), by failing to recognize the market segment, as a semi-custom contemporary
7 custom home, whereas in Southern Nevada, a contemporary home buyer specifically
8 seeks out that style of property, with such homes often being sold at a premium

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 **Sixth Violation**

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

17 The Respondent violated USPAP Standards Rule 1-1(c), as codified in NAC
18 645C.405(1), by performing her appraisal in a "grossly negligent" manner for the reasons
19 already stated above, including by failing to acknowledge the market recognized
20 differences between "contemporary" and "Mediterranean" homes, by utilizing older homes
21 with no age adjustment, by failing to adjust for gross living area differences of up to 415
22 square feet, with no such adjustment whatsoever, by claiming that "cash sales" "likely
23 have no appraisal"; by making inappropriate adjustment relative to "golf view."

24 The Respondent's actions constitute professional incompetence pursuant to NRS
25 645C.470(3) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
26 (b).

27 **Seventh Violation**

28 USPAP Standards Rule 1-2(h) requires an appraiser to determine the scope of work

1 necessary to produce credible assignment results in accordance with the SCOPE OF
2 WORK RULE.

3 Respondent violated USPAP Standards Rule 1-2(h) by failing to properly identify
4 the distinct market segment of semi-custom contemporary homes, with the scope of work
5 and work file not evidencing that the Respondent recognizes the uniqueness of this type
6 of real estate (while the market certainly does), and with the Respondent using older
7 "Mediterranean" style properties for her comparables instead, thereby producing results
8 that lack credibility.

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 **Eighth 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 failing to account the
19 differences between "contemporary" and "Mediterranean" homes, differences which are
20 clearly differentiated by the market. For example, in the sales grid section of
21 Respondent's data entries, none of the comparable homes utilized for her analysis are the
22 requisite "contemporary" homes, but, instead, are all older "Mediterranean" style
23 properties without any adjustment for such a difference.

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

27 **Ninth Violation**

28 USPAP Standards Rule 1-4(b) states that in developing a real property appraisal,

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

5 In violation of USPAP Standards Rule 1-4(b), the site value is not developed and
6 has been derived from an arbitrary land to improvement ratio of twenty four percent
7 (24%). Yet, as already noted above, while the site value date is readily available, it has
8 not been analyzed or utilized.

9 Additionally, Respondent's cost data is also incongruent and dated. For example,
10 Respondent's work file indicates December 2018 as the date of the cost data, which makes
11 such data over one (1) year old at the time of the appraisal. While in the work file cost
12 data is described as "very good" quality, in Respondent's Appraisal Report it is described
13 as "excellent quality." Therefore, Respondent's cost information is likely understated.

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 Respondent failed to address the "quality and quantity" of data in her
24 Appraisal Report.

25 The Respondent's actions constitute unprofessional conduct pursuant to NRS
26 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
27 (b).

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1 **Eleventh Violation**

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

5 The Appraisal Report is misleading and Respondent violated USPAP Standards
6 Rule 2-1(a), failing to consider similar contemporary homes in her analysis, by utilizing
7 older homes without adjusting for age, by failing to adjust in her analysis for gross living
8 areas of up to 415 square feet. In fact, in Respondent's analysis, no comparable homes
9 had any gross living area adjustments.

10 Respondent also made no adjustments as the relative size of the property sites. In
11 particular, Respondent did not adjust for lot size differences of up to one hundred percent
12 (100%). Additionally, although claiming in her Appraisal Report that "cash sales" "likely
13 have no appraisals," Respondent did not further look into and consider "cash sales" or
14 provide supporting data for her stated assumption.

15 The Respondent's actions constitute unprofessional conduct pursuant to NRS
16 645C.470(2) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or
17 (b).

18 **Twelfth Violation**

19 USPAP Standards Rule 2-1(b) requires that each written or oral real property
20 appraisal report must: (a) clearly and accurately set forth the appraisal in a manner that
21 will not be misleading; (b) contain sufficient information to enable the intended user(s) of
22 the appraisal to understand the report properly.

23 Respondent violated USPAP Standards Rule 2-1(b), as codified in NAC
24 645C.405(1), by not having the requisite clarity due to respondent's lack of understanding
25 of the market for the specific type of contemporary home appraised.

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

1 **Thirteenth Violation**

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

5 Respondent violated USPAP Standards Rule 2-2(a)(x), as codified in NAC
6 645C.405(1), by failing to summarize the information analyzed and the reasoning that
7 supports the analysis, opinions, and conclusions, including reconciliation of the data and
8 approaches.

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 **DISCIPLINE AUTHORIZED**

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

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

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

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

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

4 **The meeting will be located at the following locations:**

5 Nevada State Business Center	<u>with Video Conferencing to:</u>
6 Real Estate Division	Department of Business & Industry
7 3300 West Sahara Avenue	1818 E. College Parkway
8 4th Floor, Tahoe Room	Suite 103
9 Las Vegas, Nevada 89102	Carson City, Nevada 89706

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

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

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

 As the Respondent, you are specifically informed that you have the right to appear

1 and be heard in your defense, either personally or through your counsel of choice. At the
2 hearing, the Division has the burden of proving the allegations in the complaint and will
3 call witnesses and present evidence against you. You have the right to respond and to
4 present relevant evidence and argument on all issues involved. You have the right to call
5 and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any
6 matter relevant to the issues involved.


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

12 DATED the 18 day of March 2022.

DATED the 18th day of March 2022.

13
14 NEVADA REAL ESTATE DIVISION

AARON D. FORD
Attorney General

15
16 By: 
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