

**NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE
MEETING
APRIL 4, 2023, MINUTES**

**VIA IN PERSON AND WEBEX VIRTUAL MEETING
APRIL 4, 2023**

Nevada State Business Center
3300 W. Sahara Avenue
4th Floor, Nevada Room
Las Vegas, Nevada 89102

The meeting was called to order at 9:00 A.M.

1-A) Introduction of Commissioners in Attendance

Timothy O'Brien, John Wright, John Ivey, Larry Michael Gandy Jr., and Scott Krueger. Senior Deputy Attorney General Rosalie Bordelove sitting as Commission Counsel.

1-B) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Shareece Bates, Administration Section Manager; Christy Staffen, Appraisal Program Manager; James Silva, Compliance Audit Investigator; Kelly Valadez, Commission Coordinator; and Maria Gallo, Commission Coordinator.

Phil Su, Senior Deputy Attorney General and Christal Keegan, Deputy Attorney General representing the Division.

2) Public Comment

None

3-A) NRED v. ALFONSO A. CAMINO, for possible action

Case No. 2017-989 AP17.032.S

License No. A.0001257-CR (Active)

Parties Present

Phil Su Senior Deputy Attorney General was present representing the Division.
Alfonso Camino was present online.

President O'Brien stated there was a settlement agreement between the parties.

Settlement

Mr. Su read a summary of the facts and allegations into the record.

Mr. Su read the global settlement into the record as follows:

In an effort to avoid the time and expense of litigating these issues before the Commission, as well as any possible further legal appeals from such decision, the parties desire to compromise and settle the instant controversy in *Case No.2017-989 AP17.032.S* upon the following terms and conditions:

- The RESPONDENT agrees to take a minimum of Eighteen (18) hours of Continuing Education Credits ("CEC") in each of the following areas:

- a. Not less than 14 hours in Residential Reporting Writing and Case Studies; and
- b. Not less than 4 hours in Support Adjustments.

These courses shall be completed within twelve (12) months of the effective date of the Commission's order approving the Stipulation. These courses will not count toward the RESPONDENT's continuing education requirements. Proof of completion must be submitted to the Division upon completion of all the required education.

- RESPONDENT agrees to pay the Division a total amount of FIVE THOUSAND FOUR HUNDRED FIFTY DOLLARS (\$5,450.00) ("Amount Due"), consisting of FIVE THOUSAND DOLLARS AND NO CENTS (\$5,000.00) in fines imposed by the Division and the Division's pre-hearing and investigative costs incurred in the total amount of FOUR HUNDRED AND FIFTY DOLLARS (\$450.00).
- The Amount Due shall be payable to the Division in fifteen monthly installments of THREE HUNDRED SIXTY-THREE DOLLARS AND 33/100 cents (\$363.33), with the first payment due thirty (30) days after approval of the Stipulation by the Commission. Lump sums can be made in pre-payment with no penalties.

President O'Brien asked Mr. Camino if he reviewed the settlement agreement and if he agreed with the settlement or if he had any questions.

Mr. Camino stated he has reviewed the agreement, agrees with the settlement, and does not have any questions.

President O'Brien asked the Commissioners if they had any questions about the settlement.

Commissioner Wright asked why the Respondent did not attend the AARC hearing.

Mr. Camino stated he was out of the country.

Commissioner Wright moved to approve the stipulation for settlement of disciplinary action for Case No. 2017-989, AP17.032.S. Seconded by Commissioner Gandy. Motion carried.

3-B) NRED v. FLOYD JOSEPH FREIBURGER, for possible action

Case No. 2019-1269 AP20.015.S

License No. A.0007386-CR (Active)

Parties Present

Phil Su Senior Deputy Attorney General was present representing the Division. Floyd Freiburger was present.

President O'Brien stated there was a settlement agreement between the parties.

Settlement

Mr. Su read a summary of the facts and allegations into the record.

Mr. Su read the global settlement into the record as follows:

In an effort to avoid the time and expense of litigating these issues before the Commission, as well as any possible further legal appeals from such decision, the parties desire to compromise and settle the instant controversy in *Case No. 2019-1269 AP20.015.S* upon the following terms and conditions:

- The RESPONDENT agrees to take a minimum of Twenty-Four (24) hours of Continuing Education Credits (“CEC”) in each of the following areas:
 - a. Not less than 15 hours of USPAP
 - b. Not less than 6 hours of Ethics, Competency and Negligence; and
 - c. Not less than 3 hours in Work File.

These courses shall be completed within twelve (12) months of the effective date of the Commission’s order approving this Stipulation. These courses will not count toward the RESPONDENT’s continuing education requirements. Proof of completion must be submitted to the Division upon completion of all the required education.

- RESPONDENT agrees to pay the Division a total amount of FIVE THOUSAND THREE HUNDRED FIFTY DOLLARS (\$5,350.00) (“Amount Due”), consisting of FIVE THOUSAND DOLLARS AND NO CENTS (\$5,000.00) in fines imposed by the Division and the Division’s pre-hearing and investigative costs incurred in the total amount of THREE HUNDRED AND FIFTY DOLLARS (\$350.00).
- The Amount due shall be payable to the Division in twelve monthly installments of \$445.83 with the first payment due thirty (30) days after approval of this Stipulation by the Commission. Lump sums can be made in pre-payment with no penalties.
- Any certificate of supervisory appraisal issued to RESPONDENT and currently in effect shall be immediately revoked and suspended pursuant to NAC 645.C.108(1)(d). RESPONDENT shall immediately, after the effective date of this order, deliver his certificate of supervisory appraisal to the Division with the registration cards of his current interns, if any, pursuant to NAC 645C.118.

President O’Brien asked Mr. Freiburger if he currently has any interns, if he agrees with the settlement and if he has any questions.

Mr. Freiburger stated he does not have any interns, he agrees with the settlement, and he does not have any questions.

Commissioner Wright moved to approve the stipulation for settlement of disciplinary action for Floyd Joseph Freiburger Case No. 2019-1269 AP20.015.S. Seconded by Commissioner Gandy. Motion carried.

3–C&D) NRED v. HARRY H. SCHMALZ, for possible action
Case Nos.: 2019-991 AP20.008.S and 2020-950 AP21.020.S
License No. A0001745-CR (Active)

Parties Present

Christal Keegan, Deputy Attorney General was present representing the Division.
Janeen Isaacson, Esq. was present online representing the Respondent.
Harry Schmalz was present online.

President O’Brien stated there was a Global Settlement agreement between the parties.

Settlement

Ms. Keegan read a summary of the facts and allegations into the record.
Ms. Keegan read the Global Settlement into the record as follows:

In an effort to avoid time and expense of litigating these issues before the Commission, as well as any possible further legal appeals from any such decision, the parties desire to compromise and settle the instant controversy in *Case nos.: 2019-991 AP20.008.S and 2020-950 AP21.020.S*, upon the following terms and conditions:

- RESPONDENT agrees to pay the Division a total amount of FIFTEEN THOUSAND SIX-HUNDRED SEVENTY-SIX DOLLARS AND NINETY CENTS (\$15,676.90) (“Amount Due”), consisting of TEN THOUSAND DOLLARS AND NO CENTS (\$10,000.00) in fines imposed by the Division, of which \$10,000 is the fine imposed for Case No. 2019-991. AP20.008.S, for all violations as pled in the above-summarized Complaint, and the Division’s pre-hearing costs and attorneys’ fees incurred for both cases Case Nos. 2019-991, AP20.008.S and 2020-950, AP21.020.S, in the total amount of FIVE-THOUSAND SIX-HUNDRED SEVENTY-SIX DOLLARS AND NINETY CENTS (\$5,676.90).

- The Amount Due shall be payable to the Division as follows:

RESPONDENT shall make payment, starting ninety (90) days after approval of this Stipulation by the Commission, to be paid as follows:

1st Year: \$425/month: Total: \$ 5,100.00
2nd Year: \$425/month: Total: \$10,200.00
3rd Year: \$425/month: Total: \$15,300.00

RESPONDENT would then make one additional payment of \$376.90 in the last month of repayment for a total of \$15,676.90, as being the Amount Due hereunder. Lump sums can be made in pre-payment with no penalties.

- Respondent further agrees to take 51 hours of the following Division approved education courses:

As relevant to case No. 2019-991, AP20.008.S:

- Not less than 14 hours of Valuation and Cost Approach.
- Not less than 4 hours of Ethics, Competence, and Negligence.
- Not less than 4 hours of Adjustments.
- Not less than 5 hours in Work File,
- Not less than 5 hours in Land and Site Valuation.

As relevant to Case No. 2020-950, AP21.020.S.

- Not less than 15 hours Residential Market Analysis and Highest and Best Use.

The 51 hours of continued education set forth herein above shall be completed within 18 months of the Appraisal Commissioner signing the Stipulation. None of the above listed education will count towards license renewal. Upon completion the education must be submitted to the Division. Within one (1) year of completing the required education, the RESPONDENT will submit (1) month of appraisal logs. The Division will select from those logs random appraisals to be reviewed for USPAP compliance, unless the Division finds additional issues with the appraisals reviewed, in which event the Division shall be permitted to pursue additional investigation.

- RESPONDENT’S certificate of supervisory appraisal shall be immediately revoked and suspended pursuant to NAC 645C.108(1)(d), and RESPONDENT shall deliver his certificate to the Division with the registration cards of his interns pursuant to NAC645C.118.

President O’Brien asked Ms. Isaacson if she has reviewed the Global Settlement with her client and if he agrees with the settlement.

Ms. Isaacson stated she has reviewed the Global Settlement with her client, and they both agree with it.

Commissioner Wright moved to approve the Global Stipulation for Settlement for Harry H. Schmalz, Case Nos.: 2019-991 AP20.008.S and 2020-950 AP21.020.S. Seconded by Commissioner Gandy. Motion carried.

3-E) NRED v. SHELBY BRITTNANY SPRAGNO, for possible action
Case No. 2019-759 AP20.002.S
License No. A.0006286-CR (Active)

Parties Present

Christal Keegan, Deputy Attorney General was present representing the Division.
Shelby Spragno was present.

President O'Brien stated there was a settlement agreement in the meeting packet.

Settlement

Ms. Keegan read a summary of the facts and allegations into the record.
Ms. Keegan read the settlement into the record as follows:

In an effort to avoid the time and expense of litigating these issues before the Commission, as well as any possible further legal appeals from any such decision, the parties desire to compromise and settle the instant controversy in *Case no.2019-759 AP20.002.S* upon the following terms and conditions:

- RESPONDENT agrees to pay the Division a total amount of SEVEN THOUSAND SIX-HUNDRED AND NINETY-FIVE DOLLARS AND NO CENTS (\$7,695.00) ("Amount Due"), consisting of FOUR-THOUSAND FIVE-HUNDRED DOLLARS AND NO CENTS (\$4,500.00) in fines imposed by the Division, for all violations as pled in the above-summarized Complaint, and the Division's pre-hearing costs and attorneys' fees in the amount of THREE-THOUSAND ONE-HUNDRED NINETY-FIVE DOLLARS AND NO CENTS (\$3,195.00).

- The Amount Due shall be payable to the Division as follows:

RESPONDENT shall make an upfront payment of \$500, with monthly payments of \$300.00, starting sixty (60) days after approval of this Stipulation by the Commission, to be paid as follows:

1 st year: \$300/month	Total: \$4,100.00
2 nd year: \$300/11 months	Total: \$3,300.00

With \$295.00 in the last month of repayment for a total payment of \$7,695.00, as being the total Amount Due hereunder. Lump sums can be made in pre-payment with no penalties.

- RESPONDENT further agrees to take 23 hours of the following Division approved education courses:

As relevant to Case No. 2019-759, AP20.002.S:

- Not less than 7 hours of Appraising Condos, Co-Ops, and PUDS
- Not less than 4 hours of Ethics, Competence, and Negligence
- Not less than 5 hours in Work File, and
- Not less than 7 hours of Public Records, Square Footage & Real Estate Information Crisis

The 23 hours of continued education set forth herein above shall be completed within 1 year of the Appraisal Commissioner signing the Stipulation. None of the above listed education will count towards license renewal. Upon completion the education must be submitted to the Division. Within one (1) year of completing the required education, the RESPONDENT will submit (1) month of appraisal logs. The Division will select from those logs random appraisals to be reviewed for USPAP compliance, unless the Division finds additional issues with the appraisals reviewed, in which event the Division shall be permitted to pursue additional investigation.

President O'Brien asked if the case went to AARC.

Ms. Staffen stated the case had not gone to AARC and did not know why it had not gone to AARC.

President O'Brien asked if Ms. Spragno had read and agreed with the settlement.

Ms. Spragno stated she had read and agreed with the settlement.

Commissioner Wright asked Ms. Spragno if she knew the difference between a townhouse and a condominium.

Ms. Spragno stated she did know the difference, however in Boulder City some zoning is wrong, and you must get a rider on the properties to convert them to what they really are.

President O'Brien moved to approve the settlement of disciplinary action for Shelby Brittnany Spragno, Case No. 2019-759 AP20.002.S. Seconded by Commissioner Gandy. Motion carried 5 to 1 with Commissioner Wright opposed.

4-A) Administrator's Report.

Sharath Chandra stated the legislature is currently in session and there are not any bills that are specific to Appraisal. Mr. Chandra stated the online licensing technology is still progressing. Mr. Chandra stated there is a bill for self-funding, that if passed may add stability to the Division so that the Division is not always playing catch-up with staff and services.

4-B) Disciplinary Report

Shareece Bates presented this report. The Commission was provided with the report in the meeting packet.

4-C) Appraisal Program Officer's Report on the compliance caseload.

Christy Staffen presented this report. The Commission was provided with the report in the meeting packet.

4-D) Discussion regarding NRED's complaint process.

Christy Staffen and Jim Silva explained the NRED complaint process and procedures.

4-E) Discussion regarding Fannie Mae's complaint process with representatives Kevin Smith, Darren Beatty and Lyle Radke from Fannie Mae.

Mr. Smith gave a presentation regarding Fannie Mae's complaint process.

4-F) Discussion regarding Fannie Mae updating its "Selling Guide".

The Commissioners discussed Fannie Mae updating its "Selling Guide".

4-G) Discussion regarding Practical Application of Real Estate Appraisal (PAREA) including a presentation by Scott DiBiasio, Manager of State and Industry Affairs at the Appraisal Institute.

Mr. DiBiasio gave a presentation regarding PAREA.

4-H) Approve the minutes for the January 31, 2023, meeting.

Commissioner Wright moved to approve the minutes for the January 31, 2023, meeting. Seconded by Commissioner Gandy. Motion carried.

5) FOR POSSIBLE ACTION: DISCUSSION AND DECISION ON DATE, TIME PLACE AND AGENDA ITEMS FOR UPCOMING MEETING(S).

Next CARE meeting is July 18-20, 2023.

6) PUBLIC COMMENT:

Patrick Eggar stated he wanted to comment on the Fannie Mae property data collectors. Mr. Eggar stated that because of the Financial Institutions Reform Recovery and Enforcement Act of 1989 (FIRREA) Appraisers must be licensed to protect the public trust. Mr. Eggar stated there is a time and

place for data collectors however having unsupervised, unlicensed people does not protect the public trust and leaves Appraisers vulnerable to legal action.

7) ADJOURNMENT

The meeting adjourned at 12:23 PM.

Minutes Prepared by: M Gallo
Maria Gallo, Commission Coordinator