

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, STATE OF NEVADA,

Case No. 2020-638, AP21A.007.S

FILED

MAY 22 2023

NEVADA COMMISSION OF APPRAISERS

mgallo

Petitioner,

vs.

7
8 DON E. BEEBE, JR.
9 (License No. A.0004097-CR),

Respondent.

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12 **COMPLAINT AND NOTICE OF HEARING**

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

27 **PROCEDURAL HISTORY**

28 1. The Division received a complaint alleging the Respondent behaved in an

1 unprofessional manner and violated a code of ethics by betraying the public's fiduciary
2 trust. 0001 - 0003.

3 2. This case was heard at the Appraisal Advisory Review Committee ("AARC")
4 which remanded to the Commission of Appraisers of Real Estate ("Commission"). 0114.

5 **FACTUAL ALLEGATIONS**

6 1. The Respondent provided an Appraisal Report for 5720 Whispering Waters
7 Avenue, Las Vegas, Nevada 89131 ("Property"). 0007-0013.

8 2. The Respondent's Appraisal Report represented a signature date of June 24,
9 2020. 0013.

10 3. But the Respondent's Appraisal Report provided two dates after the
11 signature date of the report, 06/26/2020 and 06/29/2020, in the Supplemental Addendum.
12 0024.

13 4. The Respondent's Appraisal Report and workfile do not contain support for
14 the adjustments made in the sales grid. 0009.

15 5. The Respondent's Appraisal Report contained differing statements on
16 whether an inspection was exterior only or exterior and interior. 0008, 0011 - 0012, and
17 0014.

18 **VIOLATIONS OF LAW**

19 The Respondent failed to prepare the appraisal report for the Property in
20 Compliance with the Standards of the Appraisal Foundation and the law. The Standards
21 are published in the Uniform Standards of Professional Appraisal Practice ("USPAP")
22 adopted by the Appraisal Standards Board of the Appraisal Foundation, as authorized by
23 Congress, and adopted in Nevada by NAC 645C.400(1).

24 **First Violation**

25 The USPAP RECORD KEEPING RULE requires an appraiser must prepare a
26 workfile for each appraisal or appraisal review assignment. A workfile must be in
27 existence prior to the issuance of any report or other communication of assignment
28 results. A written summary of an oral report must be added to the workfile within a

1 reasonable time after the issuance of the oral report. The workfile must include all other
2 data, information, and documentation necessary to support the appraiser's opinions and
3 conclusions and to show compliance with USPAP, or references to the location(s) of such
4 other data, information, and documentation.

5 The Respondent violated USPAP RECORD KEEPING RULE by failing to include
6 all reports sent to the intended user in the workfile, as suggested by the subsequent dates
7 indicated after the signature date of the Appraisal Report.

8 The Respondent also violated USPAP RECORD KEEPING RULE by failing to
9 contain the data, information, or documentation used to arrive at the opinions or
10 conclusions with the Appraisal Report.

11 The Respondent's actions constitute unprofessional conduct pursuant to NRS
12 645C.470(2), as determined by NAC 645C.405(1) and (2) and grounds for disciplinary
13 action pursuant to NRS 645C.460(1)(a) and/or (b).

14 **Second Violation**

15 USPAP Standards Rule 1-1(b) requires an appraiser to identify the problem to be
16 solved, determine the scope of work necessary to solve the problem, and correctly
17 complete research and analyses necessary to produce a credible appraisal. In developing
18 a real property appraisal, an appraiser must (b) not commit a substantial error of
19 omission or commission that significantly affects an appraisal.

20 Respondent violated Standards Rule 1-1(c) by failing to consistently report on
21 inspections of the property, that state a drive-by inspection of the exterior occurred but in
22 numerous other statements within the Appraisal Report provide interior inspections were
23 performed.

24 The Respondent's actions constitute unprofessional conduct pursuant to NRS
25 645C.470(2), as determined by NAC 645C.405(1) and (2) and grounds for disciplinary
26 action pursuant to NRS 645C.460(1)(a) and/or (b).

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1 **Third Violation**

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

6 The Respondent violated Standards Rule 1-4(a) by failing to contain the necessary
7 data, information, or documentation to support the adjustments made in the sales grid
8 within the Appraisal Report or workfile.

9 The Respondent's actions constitute unprofessional conduct pursuant to NRS
10 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action
11 pursuant to NRS 645C.460(1)(a) and/or (b).

12 **Fourth Violation**

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

16 In violation of Standards Rule 2-1(a), Respondent's Appraisal Report made
17 differing statements regarding the inspection of the subject property on whether it was
18 exterior only or exterior and interior.

19 The Respondent's actions constitute unprofessional conduct pursuant to NRS
20 645C.470(2), as determined by NAC 645C.405(1) and (2) and grounds for disciplinary
21 action pursuant to NRS 645C.460(1)(a) and/or (b).

22 **DISCIPLINE AUTHORIZED**

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

27 2. Additionally, under NRS 622.400, the Commission is authorized to impose
28 the costs of the proceeding upon the Respondent, including investigative costs and

1 attorney's fees, if the Commission otherwise imposes discipline on the Respondent.

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

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

9 **THE HEARING WILL TAKE PLACE** at the Commission meeting scheduled
10 for July 18- 20, 2023, beginning at approximately 9:00 a.m. each day, or until
11 such time as the Commission concludes its business. The Commission meeting
12 will be held at the Nevada State Business Center, 3300 W. Sahara Avenue,
13 Nevada Room, 4th Floor, Las Vegas, Nevada 89102, with video conference to:
14 Department of Business & Industry 1818 E. College Parkway Suite 103, Carson
15 City, Nevada 89706.

16 **STACKED CALENDAR:** Your hearing is one of several hearings that may
17 be scheduled at the same time as part of a regular meeting of the Commission
18 that is expected to take place on July 18-20, 2023. Thus, your hearing may be
19 continued until later in the day or from day to day. It is your responsibility to
20 be present when your case is called. If you are not present when your case is
21 called, a default may be entered against you, and the Commission may decide
22 the case as if all allegations in the complaint were true. If you need to negotiate
23 a more specific time for your hearing in advance, because of coordination with
24 out-of-state witnesses or the like, please call Maria Gallo, Commission
25 Coordinator, at (702) 486-4074.

26 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is an
27 open meeting under Nevada's open meeting Law (OML) and may be attended by the
28 public. After the evidence and arguments, the Commission may conduct a closed meeting

1 to discuss your alleged misconduct or professional competence. You are entitled to a copy
2 of the transcript of the open and closed portions of the meeting, although you must pay for
3 the transcription.

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


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

16
17 DATED the 18 day of May, 2023.

DATED the 18th day of May, 2023.

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19 NEVADA REAL ESTATE DIVISION

AARON D. FORD
Attorney General

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