

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,

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Petitioner,

vs.

KRISTEN N. ASTE,  
(License No. A.0007406-CR),

Respondent.

Case No. 2020-676, AP21.009.S

**STIPULATION AND ORDER FOR  
SETTLEMENT OF DISCIPLINARY  
ACTION**

**FILED**

JAN 18 2024

NEVADA COMMISSION OF APPRAISERS

*Mgallo*

This Stipulation and Order for Settlement of Disciplinary Action (the "Stipulation") is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division ("the Division"), through its Administrator Sharath Chandra ("Petitioner"), by and through their attorney of record, Phil W. Su, Senior Deputy Attorney General, and Respondent Kristen N. Aste, ("RESPONDENT"), by and through her attorney of record, Janeen Isaacson, Esq.

The RESPONDENT, at all relevant times mentioned in the Complaint, was licensed by the Division as a Certified Residential Appraiser and, therefore, is subject to the Jurisdiction of the Division and the Commission and the provisions of NRS 645C and NAC Chapter 645C.

**JURISDICTION**

The Respondent is a Certified Residential Appraiser licensed by the Division, and therefore, is subject to the Jurisdiction of the Division and the provisions of NRS and NAC Chapter 645C. By availing herself of the benefits and protections of the laws of the State of Nevada, the Respondent has submitted to the jurisdiction of the Division.

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1                                   **SUMMARY OF PROCEDURAL AND FACTUAL ALLEGATIONS**

2           The Complaint filed by the Division alleges the following Procedural and Factual  
3 Allegations against RESPONDENT:

4           1.     On or about August 5, 2020, the Division received a complaint regarding the  
5 subject Appraisal Report prepared by RESPONDENT (“Appraisal Report”).

6           2.     On August 5, 2020, the Division opened an investigation into the complaint  
7 and issued an open investigation letter to RESPONDENT requesting a copy of the digital  
8 appraisal report, entire work file and supporting documentation, with a deadline of  
9 August 17, 2020.

10          3.     The Respondent complied with the Division’s August 5, 2020, request by  
11 providing a digital copy of her Appraisal Report and work file, totaling 777 pages.

12          4.     The Division commissioned a Standard 3 Review of the Appraisal Report,  
13 which was completed on June 13, 2021.

14          5.     Following the investigation and Standard 3 Review, on October 18, 2021, the  
15 investigator recommended the case be heard by the Appraisal Advisory Review  
16 Committee (“AARC”).

17          6.     On March 17, 2022, the Appraisal Program Manager sent Respondent a  
18 letter requesting that she provide a response to the allegations originally sent to her on  
19 August 5, 2020.

20          7.     This case was heard by the AARC on May 24, 2022, and the Committee  
21 recommended that this case 2020-676 be forwarded to the Commission.

22          8.     The Respondent prepared an Appraisal Report for a three-story, 13,846 sq.  
23 ft. (Gross Living Area), 6 br/6.1 bath residence located at 608 St. Croix St., Henderson,  
24 NV 89012, APN # 178-27-216-015 (“Property”).

25          9.     Construction on the home started in 2009 and remained ongoing as of the  
26 date of the Standard 3 Review, June 13, 2021.

27          10.    The Appraisal Report’s assignment type was noted as “Refinance  
28 Transaction” and indicated a value conclusion of \$13,000,000.00 by Sales Comparison

1 Approach.

2 11. The effective date of the report was indicated as June 2, 2020, and the date  
3 of signature of the report was June 18, 2020.

4 12. The work file lacked proof, analysis or testing to support the following  
5 statements and/or assumptions found in the Appraisal Report:

- 6 a. Location adjustment, since several of the comparables featured similar  
7 city views or a long golf course view.
- 8 b. Size of site adjustment;
- 9 c. Statement that some comparables were in C1 condition;
- 10 d. Bath count adjustment;
- 11 e. GLA adjustment;
- 12 f. Garage adjustment;
- 13 g. The inclusion in cost approach analysis of \$3,488,000 in on-site  
14 improvements;
- 15 h. Condition adjustments and 10% entrepreneurial adjustments for  
16 comparables 7, 8, and 9;
- 17 i. Statement that adjustments are market derived and supported by  
18 multivariate regression; and
- 19 j. Statement that adjustments in the grid were derived from matched pair  
20 analysis.

21 13. The Appraisal Report and work file did not consider the possible super-  
22 adequacy of a 13,386 sq. ft. basement.

23 14. Comparable sales photos in the Appraisal Report are cropped photos from  
24 MLS and/or other online sources, rather than from inspection from street-level or closer,  
25 contrary to the stated Scope of Work.

26 15. The Appraisal Report reports "highest and best use" is "present use," but  
27 does not provide analysis in support of the contention.

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1           16.   The Appraisal Report and work file does not provide information on relevant  
2 sales data for larger GLA comparables within the immediate market.

3           17.   In the “final reconciliation” found within the supplemental addendum,  
4 “quantity and quality” of data is not discussed, and cost approach is not mentioned.

5           18.   Respondent’s work file references an email from an Intern named “Renzo,”  
6 yet the Appraisal Report contains no disclosure of intern assistance.

7           19.   On or about May 24, 2022, the Division mailed to the Respondent a follow-up  
8 letter pursuant to NRS 233B, indicating that the Division’s investigation had uncovered  
9 sufficient evidence to recommend the filing of a formal complaint by the Division with the  
10 Commission of Appraisers of Real Estate.

11                                   **SUMMARY OF ALLEGED VIOLATIONS OF LAW**

12           The Complaint filed by the Division alleges that RESPONDENT committed the  
13 following violations of law:

14           20.   RESPONDENT violated the USPAP ETHICS RULE by lacking support of  
15 neighborhood and comparable analysis, as well as calculations for paired sales and  
16 regression as claimed.

17           21.   RESPONDENT violated USPAP RECORD KEEPING RULE by failing to  
18 include computations regarding multivariable regression or matched pairs analysis that  
19 allegedly support the Appraisal Report’s adjustments; the work file contains four  
20 appraisal reports, with the same and/or no signature date, making it unclear how many  
21 reports were actually sent to the client.

22           22.   RESPONDENT violated USPAP SCOPE OF WORK RULE by failing to  
23 explain the extent of analyses used to arrive at opinions and conclusions in her report  
24 and/or work file, and by failing to comply with the Scope of Work section of the Appraisal  
25 Report stating “The appraiser must, at minimum... (3)inspect each of the comparable  
26 sales from at least the street.”

27           23.   RESPONDENT violated Standards Rule 1-1(a) by overlooking as many as  
28 ten (10) recent, proximate sales, by failing to consider or address the possible super-

1 adequacy of the basement; and by including numerous adjustments not supported by the  
2 work file, and violated Standards Rule 1-1(a) by overlooking ten (10) recent, proximate  
3 sales.

4 24. RESPONDENT violated Standards Rule 1-2(h) by failing to explain the  
5 extent of analyses used to arrive at opinions and conclusions in her report and/or  
6 work file, and by failing to comply with the stated Scope of Work regarding at least street-  
7 level inspection of all comparable sales.

8 25. RESPONDENT violated Standards Rule 1-3(b) by reporting “highest and  
9 best use” as “present use,” but failing to provide support and evidence of that analysis in  
10 the work file.

11 26. RESPONDENT violated Standards Rule 1-4(a) by failing to consider all  
12 larger Gross Living Area homes found in the immediate market.

13 27. RESPONDENT violated Standards Rule 1-6(a) by failing to discuss the  
14 quality and quantity of data in the reconciliation section of the supplemental addendum  
15 of the Appraisal Report, and violated Standards Rule 1-6(b) by failing to mention cost  
16 approach in the reconciliation section of the supplemental addendum of the Appraisal  
17 Report.

18 28. RESPONDENT violated Standards Rule 2-1(a) the Respondent’s Appraisal  
19 Report by using comparable sales that appear to be specifically chosen, yet very dated or  
20 distant, leading to misleading results, while simultaneously overlooking more similar and  
21 proximate comparables, and violated Standards Rule 2-1(b) by using specific comparable  
22 sales that appear to be specifically chosen, yet very dated or distant, leading to  
23 misleading results that leaves the reader unable to understand the report properly.

24 29. RESPONDENT violated Standards Rule 2-2(a)(b)(c)(xii) as the Respondent’s  
25 Appraisal Report gives an opinion as to “highest and best use” but does not fully analyze  
26 the support and rationale for that opinion.

27 **PROPOSED SETTLEMENT AGREEMENT**

28 By entering into this Stipulation, the RESPONDENT does not admit the above

1 factual and legal allegation and is prepared to vigorously defend against same.  
2 Nevertheless, in an effort to avoid the time and expense of litigating these issues before  
3 the Commission, as well as any possible further legal appeals from any such decision, the  
4 parties desire to compromise and settle the instant controversy upon the following terms  
5 and conditions:

6 1. The RESPONDENT agrees to take a minimum of twelve (12) hours of  
7 Continuing Education Credits ("CEC") in the each of the following areas:

- 8 a. Not less than four (4) hours on Ethics, Competency, and Negligence;
- 9 b. Not less than (4) hours on Missing Explanations; and
- 10 c. Not less (4) hours on Appraiser Self Protection: Documentation and Record  
11 Keeping.

12 These courses shall be completed within six (6) months of the effective date of the  
13 Commission's order approving this Stipulation. These courses will not count toward the  
14 RESPONDENT's continuing education requirements. Proof of completion must be  
15 submitted to the Division upon completion of all the required education.

16 2. RESPONDENT agrees to pay the Division a total amount of SEVEN  
17 THOUSAND THREE HUNDRED TWENTY NINE DOLLARS and 95/100 cents  
18 (\$7,329.95) ("Amount Due"), consisting of THREE THOUSAND DOLLARS AND NO  
19 CENTS (\$3,000.00) in administrative fines imposed by the Division and the Division's  
20 pre-hearing attorney's fees in the amount of THREE THOUSAND THREE HUNDRED  
21 FORTY FOUR DOLLARS and 95/100 cents (\$3,344.95), and investigative costs incurred  
22 in the total amount of NINE HUNDRED EIGHTY FIVE DOLLARS and no cents  
23 (\$985.00).

24 3. The Amount Due shall be payable to the Division in eighteen (18) monthly  
25 installments of FOUR HUNDRED SEVEN DOLLARS and 21/100 cents (\$407.21), with  
26 the first payment due thirty (30) days after approval of this Stipulation by the  
27 Commission. Lump sums can be made in pre-payment with no penalties.

28 4. RESPONDENT and the Division agree that once this Agreement is approved

1 and fully performed, the Division will close its file in this matter and the Division agrees  
2 not to pursue any other or greater remedies or fines in connection with RESPONDENT  
3 alleged conduct referenced herein. The Division further agrees that unless  
4 RESPONDENT fails to make timely payment, the Division will not bring any claim or  
5 cause directly or indirectly based upon any of the facts, circumstances, or allegations  
6 discovered during the Division's investigation and prosecution of this case.

7 5. RESPONDENT agrees and understands that by entering into this  
8 Stipulation, RESPONDENT is waiving her right to a hearing in each matter at which  
9 RESPONDENT may present evidence in her defense, her right to a written decision on  
10 the merits of the complaint, her rights to reconsideration and/or rehearing, appeal and/or  
11 judicial review, and all other rights which may be accorded by the Nevada Administrative  
12 Procedure Act, the Nevada Real Estate Appraisers statutes and accompanying  
13 regulations, and the federal and state Constitutions.

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

19 7. RESPONDENT fully understands that she has the right to be represented  
20 by legal counsel in these matters at her own expense.

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

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

1           10.    Withdrawal of Stipulation. If the Commission rejects this Stipulation or  
2 suggests amendments unacceptable to RESPONDENT, RESPONDENT may withdraw  
3 from this Stipulation, and the Division may pursue its Complaint before the Commission.  
4 This Stipulation then shall become null and void and unenforceable in any manner  
5 against either party.

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

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

25           13.    Default.    In the event of default under this Stipulation, RESPONDENT  
26 agrees that her license shall be immediately suspended, and the unpaid balance of the  
27 administrative fine and costs, together with any attorneys' fees and costs that may have  
28 been assessed, shall be due in full to the Division within ten calendar days of the date of



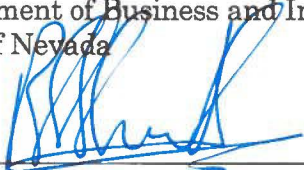
1 default. Debt collection actions for unpaid monetary assessments in this case may be  
2 instituted by the Division or its assignee.

3 14. RESPONDENT has signed and dated this Stipulation only after reading and  
4 understanding all terms herein.

5 IT IS SO STIPULATED.

6 Dated: January, 16, 2024.

NEVADA REAL ESTATE DIVISION  
Department of Business and Industry  
State of Nevada

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9  
10 By:   
11 SHARATH CHANDRA, Administrator  
12 3300 West Sahara Avenue, Suite 350  
13 Las Vegas, Nevada 89102

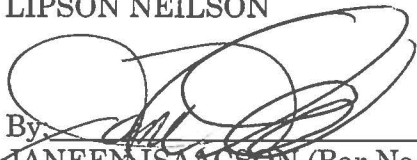
14 Dated: JAN, 11<sup>th</sup>, 2024.

  
15 KRISTEN N. ASTE  
16 (License No. A.0007406-CR)

17 Approved as to form:

18 LIPSON NEILSON

AARON D. FORD  
Attorney General

19  
20 By:   
21 JANEEN ISAACSON (Bar No. 6429)  
22 9900 Covington Cross Dr., Suite 120  
23 Las Vegas, NV 89144  
24 (702) 382-1500  
25 *Attorneys for Respondent*  
26 *Kristen N. Aste*

By: /s/ Phil W. Su  
PHIL W. SU (Bar No. 10450)  
Senior Deputy Attorney General  
555 E. Washington Ave. #3900  
Las Vegas, Nevada 89101  
(702) 486-3420  
*Attorneys for Real Estate Division*

27 **ORDER**

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

Dated: this 18 day of January, 2024.

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**ORDER**

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

Dated: this 18 day of January, 2024.

COMMISSION OF APPRAISERS OF REAL ESTATE

By:   
President, Commission of Appraisers of Real Estate