# NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE MEETING

# JULY 22, 2025, MINUTES

**VIA IN PERSON AND WEBEX VIRTUAL MEETING**
**JULY 22, 2025**

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

VIDEO CONFERENCE TO:
Nevada Division of Insurance
1818 College Parkway, Suite 103
Carson City, Nevada 89706

**1) Commission/Division Business:**
**A) Call to Order, Introduction of Commissioners in Attendance; and Establish Quorum.**
Vice President O'Brien called the meeting to order at 9:06 A.M.
Introduction of Commissioners in Attendance: Timothy O'Brien, Dallin Morris, Scott Krueger, and Kristen Lowe, a quorum was established.

Commission Counsel: Rosalie Bordelove, Chief Deputy Attorney General.

**C) Introduction of Division Staff in Attendance**
Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Shareece Bates, Administration Section Manager; Rebecca Bruce, Chief Compliance Investigator; James Silva, Compliance Audit Investigator; Amy Reveyrand, Commission Coordinator; and Maria Gallo, Commission Coordinator.

Phil Su, Senior Deputy Attorney General, and Christal Keegan, Deputy Attorney General, representing the Division. Stephanie Itkin, future Commission Counsel, Deputy Attorney General.

**B) Swear in new Commissioners**
Commissioner Krueger swore in Commissioner Kristen Lowe.
Vice President O'Brien swore in Commissioner Dallin Morris.

**2) Public Comment**
None

**4) COMMISSION/DIVISION BUSINESS**
**E) For Discussion: Highest and Best Use in Transition Areas**
**Guest Speaker: James B. Heaslet, Chief Appraiser, U.S. Department of Veterans Affairs**
Mr. Heaslet addressed the Commission regarding ongoing challenges related to determining *highest and best use* for properties located in transitional areas, particularly affecting veteran borrowers in Nevada.

Key points included:

- The issue is not isolated to Nevada but is being experienced nationwide.
- Certified residential appraisers often refuse assignments in transitional areas, incorrectly labeling properties as commercial without conducting a full highest and best use analysis.
- Improper labeling has led to unnecessary referrals to certified general appraisers, many of whom ultimately determine the properties are residential, resulting in wasted time and resources, and delayed service to veterans.
- Emphasis that highest and best use analysis must include all four tests and should not be assumed based on location or superficial attributes.
- More resources are needed to help educate certified residential appraisers about proper highest and best use methodology.
- Increased outreach to the appraisal community may be enhanced to reinforce correct appraisal procedures in transitional areas.

Commissioners and members of the public expressed that the issue was confusing and acknowledged that clarification was needed.

There was general agreement that additional guidance or education on proper highest and best use analysis could help address the problem and reduce future misclassifications.

**3) <u>DISCIPLINARY ACTION: DISCUSSION AND POSSIBLE ACTION BY THE COMMISSION:</u>**

**A. NRED v. MELVIN S. MITCHELL,** for possible action
Case No. 2022-635
License No. A.0207161-CR (ACTIVE)

**B. NRED v. JOHN W. PACE**, for possible action
Case No. 2025-160
License No. Unlicensed

<u>Parties Present</u>
Christal Keegan, Deputy Attorney General, was present representing the Division.
Janeen Isaacson, Esq. appeared virtually
Melvin Mitchell, appeared virtually
John Pace, appeared virtually

<u>Preliminary Matters</u>
Ms. Keegan stated that the cases involving Melvin S. Mitchell and John W. Pace could be heard together, as both matters stemmed from the same transaction. Ms. Keegan proceeded to provide a summary of the cases.

Ms. Keegan then read the settlement agreement for Melvin S. Mitchell, Case No. 2022-635, into the record. Following this, Ms. Keegan read the settlement agreement for John W. Pace, Case No. 2025-160, into the record.

Ms. Isaacson confirmed that Ms. Keegan had accurately stated the terms of the settlement agreements.

<u>Motion</u>
Commissioner Krueger moved to approve the stipulations for settlement of disciplinary action in Case

No. 2022-635 (Melvin S. Mitchell) and Case No. 2025-160 (John W. Pace). The motion was seconded by Commissioner Morris. The motion carried.

**7) Commission/Division Business:**

**A) Discussion Regarding the Administrators' report.**

Sharath Chandra stated that the temporary regulation discussed at the last meeting is moving forward and is expected to become a permanent regulation.

Mr. Chandra reported that with the close of the legislative session, the Division is transitioning into the new fiscal year. This includes routine budgetary transitions and year-end closeouts. Mr. Chandra stated that no significant issues are anticipated.

Mr. Chandra provided an update on the Division's technology modernization project, noting that a consultant has been brought on to assist with overhauling the Division's licensing system, which has not been updated in over 20 years. Mr. Chandra stated part of this effort, the Division is working to eliminate redundancies, streamline processes, and transition as many services as possible to an online platform. Mr. Chandra noted while license renewals are currently offered online, the Division is focused on expanding digital access to all new applications and reducing exceptions to online processing. Mr. Chandra concluded with the goal to simplify procedures and improve user accessibility.

Mr. Chandra stated that the Division still intends to open the northern Nevada office to the public, but that funding remains a challenge. Mr. Chandra confirmed that the Division plans to pursue this goal again during the upcoming legislative session.

Mr. Chandra noted that the Division is again experiencing transitions with staffing. Mr. Chandra explained that the Division places an emphasis on promoting from within, which can lead to internal movement, but helps with long-term staff retention. Mr. Chandra stated the Division is working to backfill vacancies as they arise.

On the legislative side, Mr. Chandra stated that only two statutes are expected to move forward at this time: one related to homeowners' associations and another on the real estate side, which is pending further industry developments. Mr. Chandra explained that a recent legislative change now requires all real estate agreements to be in writing, marking a shift from previous practices where written agreements were not uniformly required. Mr. Chandra stated the Division does not enforce national settlement requirements related to MLS participation, licensees under Division oversight must now ensure that agreements are documented in writing when they occur.

Mr. Chandra concluded his remarks by noting that the Division recently underwent a federal audit. Mr. Chandra deferred to staff member Rebecca Bruce for additional details, if needed. Mr. Chandra then opened the floor to any questions from the Commissioners.

**B) Discussion regarding the Disciplinary Report.**

Shareece Bates presented the disciplinary report. The Commission was provided with a copy of the report in the meeting packet.

**C) Discussion regarding Appraisal Program Manager's report on compliance caseload.**

Rebecca Bruce presented the Appraisal Program Manager's report on compliance caseload. The Commission was provided with a copy of the report in the meeting packet.

Following the presentation, the Commissioners posed questions to Ms. Bruce regarding the contents of the report.

**D) For Possible Action: Discussion, nomination and election of officers for FY 26 pursuant NAC645C.200.**
Commissioner Krueger moved to nominate Vice President O'Brien for the position of President. The motion was seconded by Commissioner Lowe. The motion carried.

Vice President O'Brien moved to nominate Commissioner Morris for the position of Vice President. The motion was seconded by Commissioner Krueger. The motion carried.

Commissioner Krueger moved to nominate Commissioner Lowe for the position of Secretary. The motion was seconded by Vice President O'Brien. The motion carried.

**F) For possible action: Discussion and possible action to approve the minutes for the April 22, 2025, meeting.**
Vice-President O'Brien asked Commission Counsel whether the Commission could approve the meeting minutes if only two of the four current members had been present at the last meeting

Rosalie Bordelove provided clarification regarding the approval of the meeting minutes. Ms. Bordelove explained that although questions frequently arise on this matter, a majority vote of the members present at the current meeting is sufficient to approve the minutes, even if those members were not present at the prior meeting.

Ms. Bordelove added that while some commissioners or board members may choose to make a statement acknowledging that they are relying on staff in approving the minutes, such a statement is not required. Ms. Bordelove stated that it is not necessary for a commissioner to have attended the meeting in question in order to vote in favor of approving its minutes.

Vice-President O'Brien stated that Division staff does a great job taking notes and that he had reviewed the meeting minutes.

Commissioner Krueger stated that he had also reviewed the meeting minutes.

Motion
Commissioner Krueger moved to approve the meeting minutes from April 22, 2025. The motion was seconded by Vice-President O'Brien. Motion carried.

**5) FOR POSSIBLE ACTION: DISCUSSION AND DECISION ON DATE, TIME, PLACE, AND AGENDA ITEMS FOR UPCOMING MEETING(S)**
The next CARE meeting: October 7-9, 2025.
Meeting calendar for 2026:

- January 13-15, 2026
- April 21-23, 2026
- July 14-16, 2026
- October 13-15, 2026

**6) PUBLIC COMMENT:**

None

**7) <u>FOR POSSIBLE ACTION: ADJOURNMENT</u>**
The meeting was adjourned at 10:15 AM

Minutes Prepared by: _____
Maria Gallo, Commission Coordinator