BEFORE THE COMMISSION OF APPRAISERS OF REAL ESTATE

STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA, Petitioner, vs. MELVIN S. MITCHELL (License No. A.0207161-CR), Respondent.	Case No. 2022-635 FILED JUL 24 2025 NEVADA COMMISSION OF APPRAISERS

STIPULATION AND ORDER FOR SETTLEMENT OF DISCIPLINARY ACTION

This Stipulation and Order for Global Settlement of Disciplinary Action (this "Stipulation") is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division ("Division"), through its Administrator Sharath Chandra ("Petitioner"), by and through their attorney of record, Christal P. Keegan, Deputy Attorney General, and Melvin S. Mitchell ("RESPONDENT"), by and through his attorney of record, Janeen Isaacson, of Isaacson Law.

RESPONDENT, at all relevant times mentioned in the Complaint, was licensed by the Division as a Certified Residential Appraiser, License No. A.0207161-CR. He is therefore subject to the jurisdiction of the Division and the Commission and the provisions of NRS Chapter 645C and NAC Chapter 645C.

SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT

1. The RESPONDENT prepared an appraisal ("Appraisal Report") for the property located at 648 Andys Way, Elko, NV 89801 ("Subject") for client Citywide Home Loans, LLC, ("Intended User") with an opinion of value of $1,250,000 as of effective date July 15, 2022. *000005, 000041.*

2. The Appraisal Report submitted with the Complaint had only the RESPONDENT as the signer and indicated the report date of July 20, 2022. *000012.*

3. Whereas, the Appraisal Report submitted by the RESPONDENT in his Work File, included two signatures, and with an inconsistent report date of October 13, 2022. *000048, 000012.*

4. The Appraisal Report's Sales Comparison Approach Section failed to account for date of sale/time differences:

a. No date of sale/time adjustments applied to Comparable Sale #2 despite reportedly placed under contract to purchase approximately seven (7) months prior to the effective date of the appraisal; *000044*

b. Nor for Comparable Sale #4 placed approximately eight (8) months prior; *000049*

c. Not for Comparable Sale #5 which entered under contract approximately 29-months prior. *000049.*

5. Despite the considerations stated in the Location subsection within the Appraisal Report's Supplemental Addendum, Explanation of Adjustment section, location adjustments were not applied to the comparable sales, nor was there any support for the analysis included in the work file. *000051, 000044, 000049, 000039 – 000095.*

6. Further, the site adjustments applied in the Sales Comparison Approach section were not supported by the subjects' Site and Site Improvements in the Cost Approach, as indicated by the price ranges per acre for site. *000044, 000045, 000049.*

7. In the Summary of the Sales Comparison Approach, the RESPONDENT stated "All comps are adjusted at $2,000/yr effective age..." *000044.*

8. However, Comparable Sales were adjusted at different rates:

a. Comparable #1 was adjusted at $20,000 for a dwelling with 11 years of age; *000044*

b. Comparable #2 was adjusted at $60,000 for a dwelling with 36 years of age; *000044*

c. Comparable #3 was adjusted at $8,000 for a dwelling with 4 years of age; *000044*

d. Comparable #4 was adjusted at $25,000 for a dwelling with 14 years of age; *000044*

e. Comparable #6 was adjusted at $10,000 for a dwelling with 3 years of age. *000048.*

9. Additionally, no support was provided in the work file for the stated adjustment rate of $2,000/year effective age. *000039 – 000095.*

10. In the Scope of Work section within the Supplemental Addendum to the Appraisal Report, Item No. 6 states "only the sales comparison approach was developed." *000014, 000050.*

11. Yet, the Cost Approach was actually completed and provided in the Appraisal Report. *000009, 000045.*

12. The Appraisal Report checked the "Yes" box signifying the highest and best use of the subject property was the present use, followed by an inadequate statement that "The subject in [sic] as a SFR is considered the highest and best use." *000043.*

13. The RESPONDENT checked the "Yes" box indicating the Appraisal Report was subject to the use of a hypothetical condition, but failed to adequately state such condition might have affected the assignment results. *000044.*

14. The Supplemental Addendum disclosed that John Pace, unlicensed in Nevada, (UT License 10921769-LA00, effective date of credential January 10, 2022, which predates the effective date of the report July 15, 2022), under the direct supervision of RESPONDENT, provided significant assistance in developing the Appraisal Report beyond clerical tasks. *000053, 000017, 000003.*

15. Specifically, the Supplemental Addendum represented the unlicensed Mr. Pace significantly assisted with "exterior/interior property inspection", but in the response to the Division's investigation, RESPONDENT stated "I personally inspect all properties." *000053, 000040.*

16. The Supplemental Addendum represented the unlicensed Mr. Pace significantly assisted with "neighborhood research, sketch, photos, data imputing, sales

comparison analysis, 1004MC, highest and best use, land value estimated cost to complete remodeling, income value estimate, improvement cost estimate and appraisal report preparation." *000053, 000017.*

17. But in the response to the Division's investigation, RESPONDENT stated "I pull or review all comps, Highest and best analysis, sketch and every detail in the appraisal report." *000053, 000040.*

18. RESPONDENT admitted he is "not perfect and make[s] mistakes." *000040.*

19. Accordingly, on or about March 5, 2025, the Division noticed the RESPONDENT that it intended to proceed with formal disciplinary action before this Commission. *000120 – 000121.*

SUMMARY OF VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT

1. RESPONDENT violated the USPAP RECORD KEEPING RULE, which requires the work file must include true copies of all written reports, and yet, the Appraisal Report submitted with RESPONDENT'S work file documentation obviously does not match the appraisal report submitted with the Complaint. *000048, 000012.*

2. RESPONDENT violated Standards Rule 1-1(a) by failing to employ recognized methods and techniques that are necessary to produce a credible appraisal in his report as violated under Standards Rules 1-4(a) and 2-2(a) herein.

3. RESPONDENT violated Standards Rule 1-4(a) for failing to analyze such comparable sales data as were available to indicate a value conclusion. *000044, 000045, 000048, 000049, 000051, 000039 – 000095.*

4. RESPONDENT violated Standards Rule 2-1(a) for committing unclear and inaccurate representations set forth in a manner rendering the Appraisal Report misleading. *000044, 000045, 000048, 000049, 000051, 000039 – 000095.*

5. RESPONDENT violated Standards Rule 2-1(b) for failing to have sufficient information in the Appraisal Report to enable the Intended User to understand the report properly. *000044, 000045, 000048, 000049, 000051, 000039 – 000095.*

6. RESPONDENT violated Standards Rule 2-2(a)(viii) for failing to summarize the scope of work, including failure to reconcile disclosure of research and analyses performed and not performed. *000009, 000014, 000045, 000050.*

7. RESPONDENT violated Standards Rule 2-2(a)(x), specifically subsection (5), for failing to summarize the information analyzed and the reasoning that supports the analyses, opinions, and conclusions, including reconciliation of the data and approaches. *000044, 000045, 000048, 000049, 000051, 000039 – 000095.*

8. RESPONDENT violated Standards Rule 2-2(a)(xii) for inadequately summarizing the rationale for the highest and best use opinion as required. *000043.*

9. RESPONDENT violated Standards Rule 2-2(a)(xiii) for failing to clearly and conspicuously state that the use of the hypothetical condition identified in the report might have affected the assignment results as required. *000044.*

10. RESPONDENT violated NRS 645C.215(1)(b) for assisting John Pace, who was unlicensed in Nevada, in providing significant appraisal assistance in developing the Subject's appraisal. *000003, 000017, 000040, 000053.*

As such, RESPONDENT'S actions constitute unprofessional conduct pursuant to NRS 645C.470(2), as determined by NAC 645C.405(1) and grounds for disciplinary action pursuant to NRS 645C.460(1)(a) and/or (b).

PROPOSED SETTLEMENT AGREEMENT

In an effort to avoid the time and expense of litigating these issues before the Commission, the RESPONDENT does not contest the violations alleged, and by entering into this Stipulation does not admit the factual allegations and violations alleged as applied in this jurisdiction, and the parties desire to compromise and settle the instant controversy in *Case No. 2022-635*, upon the following terms and conditions:

1. RESPONDENT agrees to pay the Division a total amount of SEVEN-THOUSAND SIX-HUNDRED TEN DOLLARS AND FORTY CENTS ($7,610.40) ("Amount Due"), consisting of FIVE-THOUSAND ($5,000.00) in fines imposed by the Division for violation no. 10 of NRS 645C.215(1)(b) with no administrative fines imposed for the

violation nos. 1 through 9 of the USPAP, and the Division's pre-hearing costs and attorneys' fees incurred in *Case No. 2022-635* in the total amount of TWO-THOUSAND SIX-HUNDRED TEN DOLLARS AND FORTY CENTS ($2,610.40).

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

RESPONDENT shall make payments over a 36-month period, starting ninety (90) days after approval of this Stipulation by the Commission, to be paid as follows:

For 36 Months: $211.40/month Total: $7,610.40

Lump sums can be made in pre-payment with no penalties.

3. RESPONDENT further agrees to take a total of eight (8) hours of continuing education in the following Division approved education courses as relevant to *Case No. 2022-635*:

- Not less than 4 hours of Appraiser Self Protection: Documentation and Record Keeping;
- Not less than 4 hours of Sales Comparison Approach Reconciliation.

The continuing education shall be completed within three (3) 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.

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

5. RESPONDENT agrees and understands that by entering into this Stipulation, RESPONDENT is waiving his right to a hearing in the matter at which RESPONDENT may present evidence in his defense, his right to a written decision on the

merits of the complaint, his rights to reconsideration and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the Nevada Administrative Procedure Act, the Nevada Real Estate Appraisers statutes and accompanying regulations, and the federal and state Constitutions.

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

7. RESPONDENT fully understands that he has the right to be represented by legal counsel in these matters at his own expense.

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

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

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

11. Release. In consideration of the execution of this Stipulation, RESPONDENT for himself, his heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry, and the Division, and each of their respective members, agents, employees, and

counsel in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever had, now has, may have, or claim to have against any or all of the persons or entities named in this section, arising out of or by reason of the Division's investigations, these disciplinary actions, and all other matters relating thereto.

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

13. Default. In the event of default under this Stipulation, RESPONDENT agrees that his license shall be immediately suspended, and the unpaid balance of the administrative fine and costs, together with any attorneys' fees and costs that may have been assessed, shall be due in full to the Division within ten (10) calendar days of the date of default. Debt collection actions for unpaid monetary assessments in this case may be instituted by the Division or its assignee.

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

DATED this 9 day of July 2025.

NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION

By: _____
SHARATH CHANDRA
Administrator

Approved as to form:

AARON D. FORD
Attorney General

By: _____
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ckeegan@ag.nv.gov

Attorney for Real Estate Division

DATED this 8th day of July 2025.

By: _____
MELVIN S. MITCHELL
Respondent

Approved as to form:

ISAACSON LAW

By: _____
JANEEN ISAACSON
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Attorney for Respondent

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STATE OF NEVADA

SHARATH CHANDRA, Administrator, REAL ESTATE DIVISION, DEPARTMENT OF BUSINESS AND INDUSTRY, STATE OF NEVADA, Petitioner, vs. MELVIN S. MITCHELL (License No. A.0207161-CR), Respondent.	Case No. 2022-635

ORDER FOR SETTLEMENT OF DISCIPLINARY ACTIONS

The Stipulation of Disciplinary Action having come before the Commission of Appraisers of Real Estate, during its regular agenda on July 22, 2025, and the Commission being fully apprised of terms and good cause appearing,

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

DATED: July 24th, 2025.

NEVADA COMMISSION OF APPRAISERS

By: _____
Vice President, Nevada Commission of Appraisers of Real Estate

Submitted by:

AARON D. FORD
Attorney General

By: epkeegan
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