

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
REAL ESTATE DIVISION

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BOB MILLER *Governor*
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Director

JOAN G. BUCHANAN
Administrator

April 8, 1997

Diana L. Garmus, Chairperson
Appraisal Subcommittee
Federal Financial Institutions Council
2100 Pennsylvania Avenue, NW, Suite 200
Washington, DC 20037

Dear Ms. Garmus:

As Administrator of the Nevada Real Estate Division and the person statutorily responsible for administration and enforcement of Nevada Appraisal License Law, NRS 645C, I am responding to the Subcommittee's November 15, 1996, recommended changes. Brenda Kindred-Kipling, as Appraisal Officer carries out the provisions of the Appraisal law, is the liaison to the Appraisal Foundation, industry groups and the general public and is the ARRO State representative. Additionally, responsible for the appraisal program, she oversees the licensing process and approvals and advises the Commission and myself as to industry trends and surfacing problems.

The Real Estate Division was most pleased to have this position approved in the 1995 legislative session as the industry and the public deserve a concerted and consistent effort in the administration of the appraisal license law.

The appraisal Commission duties are to adopt regulations, approve education courses and programs, hear complaints and determine if disciplinary action is appropriate. Please find enclosed a current Commission list.

In checking with the current Appraisal Officer, as well as staff investigators who investigated complaints prior to the Appraisal Officer Position (effective October 1, 1995), at no time did any staff person confer with an Appraisal Commissioner who was

at the time appointed to the Commission. However, it is agreed on occasion, staff has conferred with former Appraisal Commissioners post-appointment to confirm understanding of application of standards as related to violations. Any of these past discussion have been strictly on a general and non-specific bases with no mention of the subject property or licensee.

Your concerns regarding the scope of practice limitations being stricter than the appraisal regulations of the Federal Financial Institution's regulatory agencies was brought before the Commission on January 13, 1997, after discussion they voted to retain the current qualification of certified general to appraise non-residential properties.

In reference to your third recommendation, you have indicated that the term "total value" in the Nevada regulations causes confusion for lenders, we feel that the total value of the property needs to be considered. For example, a multi-million dollar residential property, of which we have several in Nevada, depending on its location, can be considered either a complex or a noncomplex property. The Commission believes that it would require a certified residential appraiser to be able to ascertain both the highest and best use of this type of property or the complexity or non-complexity of it, as the value is not relevant to the appraisal process.

In light of your newly adopted Qualification criteria, Nevada's high experience request and scope of practice limitations seems to no longer be an issue. As to reciprocity, the Division accommodates out of state appraisal applicants by issuing temporary practice permits, a license or intern registration for those applicants that complete an application, supply the Division with a jurisdictional letter of good-standing, proof of three hours of education in Nevada appraisal law (for license only), fingerprint cards, (for license only) and appropriate fees.

The Division and the Appraisal Commission appreciate the Appraisal Subcommittee's comments and recommendations, and I assure you, have thoroughly considered all recommendations. We look forward to continuing dialogue and suggestions.

If you have any questions please do not hesitate to contact me at 702-486-4033. We would appreciate future correspondence be directed to Mrs. Kipling, Appraisal Officer, with a copy to my attention.

Sincerely,

Joan Buchanan
Administrator

cc: Brenda Kindred-Kipling, Appraisal Officer
Commission of Appraisers