

JEFFREY S. CHIESA  
ATTORNEY GENERAL OF NEW JERSEY  
Division of Law - 5th Floor  
124 Halsey Street  
P.O. Box 45029  
Newark, New Jersey 07101  
Attorney for New Jersey State Real  
Estate Appraisers Board

COPY

CERTIFIED TRUE COPY

By: Barbara Lopez  
Deputy Attorney General  
(973) 648-7454

STATE OF NEW JERSEY  
DEPARTMENT OF LAW & PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS  
NEW JERSEY STATE REAL ESTATE  
APPRAISERS BOARD

IN THE MATTER OF THE LICENSE OF :  
:  
GENADY KAYTOVICH :  
License No. 42RC00175900 :  
:  
TO ENGAGE IN THE PRACTICE OF :  
REAL ESTATE APPRAISING :  
IN THE STATE OF NEW JERSEY :  
:

CONSENT ORDER  
FILED  
BOARD OF  
REAL ESTATE APPRAISERS  
CHARLES F. KIRKIN  
Acting Executive Director 7/27/12

This matter was opened to the New Jersey State Board of Real Estate Appraisers ("Board") upon receipt of information concerning an appraisal report prepared by Genady Kaytovich ("Respondent") for property located at 66 Allerton Road, Clinton, New Jersey (report dated March 30, 2007). Respondent holds a license as a State Certified General Real Estate Appraiser in New Jersey.

In reviewing this matter, the Board has considered available information concerning the subject property appraisal including the complaint, Respondent's response to the complaint, Respondent's complete work file, and Respondent's testimony when he appeared before the Board, accompanied by his attorney, on January 31, 2012.

The Board notes that this was a difficult property to appraise. The Board finds that in preparing the report, Respondent violated numerous provisions of the Uniform Standards of Professional Appraisal Practice ("USPAP") (2006 Edition) (effective July 1, 2006 through December 31, 2007) including the following:

1. Respondent violated Standard 1-1(a) by failing to correctly employ recognized methods and techniques that are necessary to produce a credible appraisal. Respondent demonstrated a lack of understanding of recognized methods and techniques related to effective age, highest and best use, cost approach to value, analyzing sales contracts, and adjustments.

2. Respondent violated Standard 1-1(b) by committing a substantial error of omission or commission that significantly affects the appraisal by omitting discussion of the property's location. The property is located within the leaf of a cloverleaf intersection with Route 31.

4. Respondent violated Standard 1-1(c) by making a series of errors regarding the above violations, which in the aggregate, affected the credibility of the report.

5. Respondent violated Standard 1-2(e)(i) by failing to adequately describe the location of the property and its physical, legal, and economic attributes. Besides being located within the leaf of a cloverleaf intersection, the property was zoned for commercial use. Respondent appraised the property as a residential property and reported that residential use was temporarily the highest and best use of the property.

6. Respondent violated Standard 1-5(a) by failing to analyze the listing or sale of the subject property which occurred eight months prior to his appraisal.

7. Respondent violated Standard 2-1(a) and (b) by setting forth the appraisal in a misleading manner that did not contain sufficient information concerning the location and use of this property. Respondent failed to include any comparables that were commercial.

The Board concludes that, by failing to ensure that the subject property appraisal conformed to the requirements of the USPAP, Respondent violated N.J.A.C. 13:40A-6.1 and engaged in professional misconduct. The Board thus finds that cause for formal action against Respondent exists pursuant to N.J.S.A. 45:1-21(e) and (h).

The parties desiring to resolve this matter without need for further proceedings, and the Board being satisfied that good cause exists for the entry of the within Order;

IT IS on this 27th day of July, 2012

ORDERED and AGREED:

1. Respondent is hereby reprimanded for violations of N.J.S.A. 45:1-21(e) and (h).
2. Respondent shall, within one year of the date of entry of this Order, provide proof to the Board that he has fully attended and successfully completed Board approved courses in:
  - a. Basic Appraising Principles
  - b. Basic Appraising Procedures
  - c. Sales Comparison
  - d. 15 hour USPAP

Respondent shall secure pre-approval from the Board for any courses he proposes to take to satisfy the above course requirements. These courses shall be taken in a classroom setting; the Board will not approve any on-line courses.

"Successfully complete" means that respondent shall fully attend and pass any examinations given at the end of the courses and/or obtain passing grades at the completion of the courses.

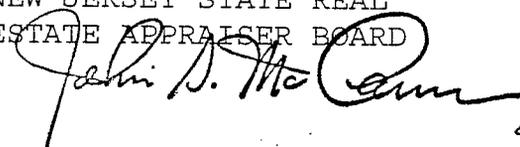
Respondent may not claim any continuing education credit for the completion of the courses herein required. These courses shall

be in addition to all continuing education required for license renewal.

3. Respondent is hereby assessed costs in the amount of two hundred and forty-nine dollars (\$249). Payment shall be made by certified check or money order payable to "State of New Jersey," delivered or mailed to Charles F. Kirk, Executive Director, New Jersey State Board of Real Estate Appraisers, P.O. Box 45032, Newark, New Jersey 07101. Payment shall be made no later than 15 days after the date of filing of this Order. In the event Respondent fails to make a timely payment, a certificate of debt shall be filed in accordance with N.J.S.A. 45:1-24 and the Board may bring such other proceedings as authorized by law.

NEW JERSEY STATE REAL  
ESTATE APPRAISER BOARD

By: \_\_\_\_\_

  
John A. McCann  
Board President

I have read and understand  
this Order, agree to the entry

