



ARIZONA BOARD OF APPRAISAL

1400 West Washington, Suite 360
Phoenix, Arizona 85007
(602) 542-1539 Fax (602) 542-1598
Email: appraisal@appraisal.state.az.us
Website: www.appraisal.state.az.us

AGENDA REGULAR BOARD MEETING JANUARY 27, 2012 AT 8:30 A.M.

The Board may go into Executive Session for the purposes of obtaining legal advice from the Board's attorney on any matters listed below pursuant to A.R.S. § 38-431.03(A)(3). In addition, the Board may go into Executive Session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Board's attorneys regarding pending litigation and to consider its position and instruct its attorneys regarding same.

1. CALL TO ORDER AND APPROVAL OF MINUTES:

- A. Call to Order and Roll Call
- B. Pledge of Allegiance to the Flag of the United States of America
- C. Approval of the Minutes

January 13, 2012

2. PUBLIC ANNOUNCEMENTS AND CALL TO THE PUBLIC:

The Board may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the Board on any issue within its jurisdiction. The Board may respond to criticism, may ask staff to review a matter, and/or may ask that a matter be put on future agenda. The Board may not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. See A.R.S. § 38.431.01(G). **Anyone wishing to address the Board during the open call to the public is required to complete the form provided with the agenda at the time of the meeting. Members of the public may, at the Board's discretion, be allowed to address agenda items. The Board may limit persons speaking during this time to a reasonable number on any public comment matter. In addition, each person wishing to address the Board will be given five (5) minutes to do so.**

3. COMPLAINT REVIEW

A. INFORMAL HEARINGS:

(10:00 a.m.)
2912/ Flo C. Lehnus
3136

Certified Residential Appraiser #20545
(See 3E Below)

Agenda 1/27/11

(10:00 a.m.)
3023/ Jack L. Newman
3024 Certified Residential Appraiser # 21799
(See 3E Below)

(10:00 a.m.)
3105 Walter W. Reed Certified Residential Appraiser # 20769
(See 3E Below)

(10:00 a.m.)
3134 Julie E. Kearns Certified Residential Appraiser # 20720
(See 3E Below)

(1:00 p.m.)
3144 Ryan A.P. Fortuna Certified Residential Appraiser # 21989
(See 3E Below)

(1:00 p.m.)
3188/ Kevin P. Dowling
3222 Certified Residential Appraiser #20160
(See 3E Below)

(1:00 p.m.)
3290 H. Harrison Cox Certified General Appraiser # 30957

(1:00 p.m.)
3292 Mark S. Glade Certified Residential Appraiser # 21095

(1:00 p.m.)
3296 Keffe R. Tidwell Certified Residential Appraiser #22109

B. INVESTIGATIVE FILE REVIEW:

2836 Jay A. Josephs Discussion, consideration, and possible action following receipt of investigator's report
(See 3E Below)

C. COMPLIANCE FILE REVIEW:

2917/ Brad G. Gregory Discussion, consideration, and possible action
2970/ concerning audit of appraisals and respondent's request
2971/ to terminate probation
3052

3187 Gary D. Ferguson Discussion, consideration, and possible action following audit of appraisals and respondent's request to terminate probation and mentorship

3275 Kevin M. Simms Discussion, consideration, and possible action concerning approval of mentor pursuant to 12/21/11 Consent Agreement and Order of Discipline

3282 Thomas B. Sheehy Discussion, consideration, and possible action concerning approval of mentor pursuant to 12/14/11 Consent Agreement and Order of Discipline

7939 Jennifer L. Deuning Discussion, consideration, and possible action following audit of appraisals and respondent's request to terminate probation and mentorship

D. INITIAL (FIRST) FILE REVIEW: First review and possible action following receipt of reply from Respondent's expiration of Respondent's reply date, or extension of Respondent's reply date:

3209 Kevin J. Rodolico **(See 3E Below)**
 3318 Gabriel B. Corral
 3320/ Leif W. Jensen
 3321
 3335 Mary H. Marks
 3336 Joanna M. Conde

E. 12-MONTH FILE REVIEW: Review and possible action on Complaints pending longer than 12 months from receipt of reply:

		<u>Reply Date</u>	<u>Status</u>
2836	Jay A. Josephs	4/21/09	(See 3B Above)
2902/	Ardeth L. Fair	7/22/10	Pending Other
3054		1/4/10	Pending Other
2912	Flo C. Lehnus	8/3/09	(See 3A Above)
3136		6/24/10	(See 3A Above)
2920/	Ronald R. Zimmerman	8/10/09	Pending Other
2931		8/14/09	Pending Other
2952	Keith J. Holmes	9/15/09	Pending Other
2984	Kyle D. Lindsey	9/28/09	Hold
3113		5/10/10	With Investigator
2985/	Julie D. Friess	9/28/09	Pending Informal Hearing
2989		9/28/09	Pending Informal Hearing
3013	James A. Woods	10/23/09	Pending Informal Hearing
3023/	Jack L. Newman	11/9/09	(See 3A Above)
3024		11/9/09	(See 3A Above)
3067	Stephen D. Fetters	1/16/10	Pending Other
3068	David C. Lennhoff	2/3/10	Hold
3069	Harry A. Horstman III	2/3/10	Hold
3081	Sterling F. Slaughter	3/1/10	Hold
3105	Walter W. Reed	5/10/10	(See 3A Above)
3121	Cora L. Shurtz	5/26/10	Pending Other
3131	Lance A. Lafata	6/14/10	Pending Informal Hearing
3133	Brad L. Duecker	6/15/10	Pending Informal Hearing
3179		10/25/10	Pending Informal Hearing
3134	Julie E. Kearns	6/23/10	(See 3A Above)
3144	Ryan A.P. Fortuna	7/16/10	(See 3A Above)
3148	Philip G. Hudson, Jr.	7/26/10	Pending Informal Hearing
3153	Robin E. Pinkus	8/4/10	Pending Informal Hearing
3165	Scott A. Armstrong	9/8/10	Pending Other
3169	Josh C. Allison	9/20/10	Back from Investigator
3177	Thereasa L. McReynolds	10/13/10	Pending Informal Hearing

3182	Richard T. Salceda	10/27/10	With Investigator
3221		1/4/11	With Investigator
3188	Kevin P. Dowling	11/5/10	(See 3A Above)
3222		1/5/11	(See 3A Above)
3191	Stephen M. Steitz	9/23/10	Need Formal
3196	Wade A. LaVigne	12/6/10	Need Formal
3210		12/16/10	Need Formal
3208	Arturo G. Reeder	12/16/10	Back from Investigator
3209	Kevin J. Rodolico	5/18/10	(See 3D Above)
3210	Wade A. LaVigne	12/16/10	Need Formal

4. REPORTS OF CHAIRPERSON, EXECUTIVE DIRECTOR AND COMMITTEES:

A. EXECUTIVE DIRECTOR REPORT:

- (1) Assistant Attorney General's assignments
- (2) Complaints with answer dates extended by staff
- (3) Complaint statistics
- (4) Board Communications and Open Meeting Law

5. NEW BUSINESS

A. Discussion consideration and possible action concerning correspondence received from the Office of Real Estate Appraiser's in California regarding Kurt J. Goepfner

6. CONFIRMATION OF MEETING DATES, TIME, LOCATIONS AND PURPOSES:

Dates and times

7. ADJOURNMENT:

One or more members of the Arizona Board of Appraisal may participate by telephone conference call. Members of the Board will attend either in person or by telephone conference call. All items assigned a specific time will be addressed at that time or as soon thereafter as the item may be heard. All items not assigned a specific time may be addressed at any time during the meeting. Copies of this agenda and additional information regarding any of the items listed above may be obtained 24 hours prior to the scheduled meeting from the Arizona Board of Appraisal, 1400 W. Washington, Suite 360, Phoenix, Arizona, Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding holidays. Telephone: (602) 542-1558, or on the Board's website under Meetings. If a disabled person needs any type of accommodation, please notify the Board's ADA Compliance Coordinator, Dan Pietropaulo, as soon as possible prior to the meeting at (602) 542-1593.



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RECEIVED

2012 MAY -4 AM 9:39

ARIZONA BOARD OF APPRAISAL

MINUTES REGULAR BOARD MEETING Friday, January 27, 2012 8:35 AM

Call to Order and Roll Call

Regular Board meeting called to order by Les Abrams, Chairperson

Board members Present at Roll Call:

Les Abrams
Debbie Rudd
Mike Trueba
~~James Heaslet~~
Myra Jefferson
~~Kevin Yeanoplos~~
Joe Stroud
Mike Petrus
Frank Ugenti

Staff Attendance:

Jeanne Galvin - Assistant Attorney General
Rebecca Loar – Regulatory Compliance Officer
Jessica Sapio – Licensing and Education Administrator

Pledge Allegiance to the Flag of the United States of America

Approval of Minutes

Mike Trueba made a motion to approve the January 13, 2012 minutes. The motion was seconded by Mike Petrus. The motion passed. Myra Jefferson abstained.

Call to the Public

Bill Barnes, certified general appraiser, and a member of the Appraisal Institute with an SRA designation addressed the Board. He informed the Board of his disappointment with the Board's decision on the Zimmerman case at the January 13, 2012 meeting. Mr. Barnes suggested to the non-appraiser Board members to please speak up, that they are equal members, ask questions, make a motion, but don't assume that because they are not appraisers that they don't have something to contribute. As an SRA listening to this, Mr. Barnes had a problem with the perception there was favoritism possibly going on, or the perception of favoritism in the Board's dealings with Mr. Zimmerman. Mr. Zimmerman had 21 years of appraisal experience and he was highly educated because he was able to obtain an SRA designation, which is difficult. Mr. Barnes mentioned that he had a problem with the Board giving Mr. Zimmerman a Level 4 violation with no suspension of his certificate. The Board is here to protect the public and in a sense the banking system too.

Call to the Public

David Thomas was present and read an email written by Michael Wolff to the Board see attachment #1. Mr. Thomas made the following general comments; mentioned that he had the good fortune to work with Mrs. Conde for the last 2 years with regard to AAREA she is an outstanding appraiser and she is here to do nothing but promote the profession of appraisal. She has stepped in during a time in which leadership was needed in the profession. The unfortunate happenstance that has taken place with the agency and legislation put an undue burden on the finances that were available to the Board the year prior when the AMC legislation was passed. This consequence has set the Board back at least a year and unable to get the investigations taken care of because lack of funds. And this is the perception of my part, whether it is factual or not, it is my perception. What I look for as an appraiser and what the Board is here to do and to be a leader for our profession and that is what I hope AAREA is going to help the Board to do. That is why I am a part of AAREA and also why I am an appraiser. So I would like to second Mr. Wolff's statement that Joanna does deserve an award and doesn't deserve to be raked over the coals with regard to the complaint against her.

Review and Action concerning 3318 Gabriel B. Corral

Respondent was present. Frank Ugenti recused himself from this matter. Respondent thanked the Board members for their time and service. There was some discussion on the description of the garage with the county and city records, and the Respondent's inspection of the property. The Respondent explained his methodology and research for the selection of comparables and his geographical expertise with the uniqueness of the neighborhood. Mike Petrus made the motion to that the Board find no violations and dismiss. Mike Trueba seconded the motion. The Board voted in favor of the motion.

Review and Action concerning 2836 Jay A. Josephs

Respondent did not appear. Debbie Rudd made the motion that the Board accept the investigative report. Mike Petrus seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd made the motion that this Board reoffer the same Nondisciplinary Remedial Action to the Respondent and give him 7 days to sign or go to formal hearing. Mike Petrus seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 2917/2970/2971/3052 Brad G. Gregory

Respondent appeared. Mike Petrus made the motion for the Board to terminate probation. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 3187 Gary D. Ferguson

Respondent appeared. Debbie Rudd made the motion to terminate probation and mentorship. Mike Trueba seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 3275 Kevin M. Simms

Respondent did not appear. Myra Jefferson made the motion that the Board approve the mentor. Mike Trueba seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 3282 Thomas B. Sheehy

Respondent did not appear. Myra Jefferson made the motion that the Board approve the mentor. Frank Ugenti seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 7939 Jennifer L. Deuning

Respondent did not appear. Debbie Rudd made the motion that the Board terminate Respondent's probation and mentorship. Mike Trueba seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 3209 Kevin J. Rodolico

Respondent did not appear. Debbie Rudd stated that this is a competency issue and made the motion that the Board find a Level 3, citing the violations found in the Board's complaint and offer a Consent Agreement and Order for probation and mentorship for 6 months, 12 reports, and disciplinary education. Mike Petrus seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 3320 Leif W. Jensen

Respondent did not appear. Frank Ugenti recused himself from this matter. The Board had questions for the Respondent. Mike Petrus made the motion for the Board to invite the Respondent back for an informal hearing. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action concerning 3321 Leif W. Jensen

Respondent did not appear. The Board had questions for the Respondent. Mike Petrus made the motion for the Board to invite the Respondent back for an informal hearing. Debbie Rudd seconded the motion. The Board voted unanimously in favor of the motion.

Just prior to the Board taking a short recess Mr. Leif W. Jensen appeared. The Board reopened both complaints 3320/3321.

Review and Action concerning 3320 Leif W. Jensen

Respondent appeared. Frank Ugenti recused himself from this matter. The Board had questions regarding the uniqueness of the location. The Respondent explained to the Board his methodology and research of the location, the choice of comparables, and his reasoning for the drive-by appraisal, and the current condition of the property during the time of the appraisal. Mike Petrus cited USPAP violations; 1-4a, 1-1a, 2-1a, Scope of Work, 1-4 b, Competency and would like to combine with Complaint 3320.

Review and Action concerning 3321 Leif W. Jensen

Respondent appeared. Frank Ugenti rejoined the Board on this matter. The Board had questions regarding the Respondent's analysis of the contract price and the counter offer to the contract price. Respondent explained his research and analysis for his cost approach in the report and adjustments in the comparable reports. Mike Petrus found USPAP violations 1-4a, 1-1a, 1-4b, 1-5a, 1-1c and to combine Complaint 3320. Jeanne Galvin, Assistant Attorney General suggested that since the Board intends to combine both Complaints 3320/3321 and Frank Ugenti recused himself regarding Complaint 3320, that Mr. Ugenti should recuse himself from the decision concerning discipline. There was discussion that the appraiser would benefit from a mentorship since he is working by himself. Debbie Rudd made the motion that the Board find a Level 3, offer a

Consent Agreement and Order of Probation with mentorship for a minimum of 6 months, minimum of 12 reports with disciplinary education. Joe Stroud seconded the motion. The Board voted in favor of the motion. Mike Petrus made the motion to rescind his previous motion to invite Respondent to an informal hearing. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Frank Ugenti rejoined the meeting.

Informal Hearing regarding 2912/3136 Flo C. Lehnus

Respondent was present and sworn in. There was discussion on whether the Respondent agreed with the investigator's reports. In Complaint 2912, the investigator mentioned that the Respondent failed to provide pictures in the report. Respondent informed the Board that photos were not mandatory for FHA appraisals back then. When the client requested the photos, the Respondent went back out that same day and took photographs of the property. With Complaint 3136, there was discussion of the quality of Respondent's multifamily appraisals. Respondent informed the Board of her research and methodology and comparable selection for the multifamily appraisal report. Debbie Rudd made the motion for the Board find a Level 3 violation citing USPAP violations found in the investigative reports, offer a Consent Agreement and Order for Probation for a minimum of 6 months and a minimum of 12 reports with disciplinary education. The Board informed Respondent that she could do demonstrative appraisal reports to meet the Board's requirement. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing regarding 3023/3024 Jack L. Newman

Respondent was present and sworn in. Respondent gave an opening statement and informed the Board he has improved himself with more education and experience since these appraisals were performed. There was discussion on Respondent's knowledge of the market area and the research he used. Debbie Rudd made the motion that the Board find a Level 2 violation, citing USPAP violations found in the investigative reports; offer Respondent a Due Diligence Consent Letter with disciplinary education. Joe Stroud seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing regarding 3105 Walter W. Reed

Respondent was present and sworn in. Respondent gave an opening statement, mentioned that this report was written two years ago, and acknowledged some of the errors in the investigative report but not all of them. Debbie Rudd made the motion that the Board find a Level 2 violation, citing violations found in the investigative report and offer Respondent a Due Diligence Consent Letter requiring disciplinary education to be completed within 6 months. Myra Jefferson seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing regarding 3134 Julie E. Kearns

Respondent was present and sworn in. Respondent gave an opening statement and informed the Board of her appraisal experience. Respondent informed the Board that the client's expectations were too high and there was a lack of comparable sales. Debbie Rudd made the motion that the Board find a Level 2 violation, citing USPAP violations found in the investigative report; offer Respondent a Due Diligence Consent Letter requiring disciplinary education to be completed within 6 months. Mike Trueba seconded the motion. The Board motion passed with Mike Petrus voting no.

The Board recessed for lunch at 11:45 a.m. and reconvened at 1:00 p.m.

Informal Hearing regarding 3144 Ryan A.P. Fortuna

Due to a conflict in the time noticed on the agenda this has been continued to the next Board meeting that will accommodate notice requirement.

Informal Hearing regarding 3188/3222 Kevin P. Dowling

Respondent appeared via telephonic conference call and was sworn in. Debbie Rudd and Frank Ugenti recused themselves from Complaint 3188. Respondent mentioned that there were factual errors in his report but they were not intentional. The Board mentioned that even small errors can cause the report to be less than credible. Complaint 3222, Frank Ugenti rejoined the meeting and Debbie Rudd recused herself from this matter. There was discussion on what sales and market research, and criteria used to select the comparables. Frank Ugenti recused himself from the conclusion regarding both Complaints 3188/3222. Mike Petrus made the motion that the Board find a Level 1 violation; citing the USPAP violations found in the investigative reports, and offer a Nondisciplinary Letter of Concern. Mike Trueba seconded the motion. The Board voted in favor of the motion.

Informal Hearing regarding 3290 H. Harrison Cox

Respondent appeared and was sworn in. There was discussion regarding Respondent's criteria and market research for the comparables used. Debbie Rudd made the motion that the Board find a Level 3 violation citing USPAP violations 1-4a, 1-1c, and Competency; offer Respondent a Consent Agreement and Order for Probation with a mentor for a minimum of 6 months and disciplinary education and a minimum of 12 reports. Mike Trueba seconded the motion. The Board voted unanimously in favor of the motion.

James Heaslet joined the meeting at 2:35 p.m.

Informal Hearing regarding 3292 Mark S. Glade

Due to a conflict in the time noticed on the agenda this has been continued to the next Board meeting that will accommodate notice requirement.

Informal Hearing regarding 3296 Keffe R. Tidwell

Respondent appeared and was sworn in. Respondent gave an opening statement and informed the Board of his years of experience and additional information he has received since this appraisal report was done. There was discussion on the research of the market and explanation for the comparables chosen. Debbie Rudd made the motion for the Board to find a Level 1 violation finding USPAP violations 1-3a and offer to Respondent a Nondisciplinary Letter of Concern. Mike Petrus seconded the motion. The Board voted unanimously in favor of the motion. Debbie Rudd made a recommendation to Respondent to take the 2012-2013 USPAP within the next 6 months.

Review and Action concerning 3336 Joanna Conde

Peter J. Martori appeared on behalf of the complainants and as a member of COAA. He has been representing the appraisal industry since 1991. He mentioned his involvement with two legislative sessions and is familiar with the legislative process. He mentioned his intent of this complaint was not to polarize an industry but to see the polarization of the industry come together. He also mentioned that one person does not represent an

entire organization. Mr. Martori summarized the complaint, see attachment #2. In October 2009, he signed up and attended the Arizona Appraisers State conference by Ms. Conde in January 2010. He sent an email requesting the education certificate for his participation in the conference and did not receive it nor an explanation from Mrs. Conde. He urged the Board to take this complaint seriously and respond seriously that will not only represent the Arizona State Statutes but the Arizona Board of Appraisal.

David Lyons appeared on his own behalf. He stated that this complaint scared him to death. He stated that he feared that a complaint could be turned in against an appraiser by a group of other appraisers who disagree with you. He felt he needed to voice his opinion. Mr. Lyons mentioned that he has never met Joanna Conde until today. He informed the Board that he appreciates the efforts Mrs. Conde is making in the industry pointing out things that she feels are important and informs all appraisers. COAA does the same thing, point things that they feel are important to all appraisers. The complaint mentions USPAP violations; it is Mr. Lyon's interpretation that USPAP is applicable to appraisals and not everyday life and doesn't apply when you are discussing legislation.

Joe Delaney appeared on his own behalf. He stated that he co-founded AAREA with Joanna Conde. As he got to know her, he found that they had different interests. Soon after he found what he believed was a pretty intense hatred on her part for other appraisers and appraisal groups. There was a situation about a month or two starting AAREA where a couple of appraisers approached him trying to get the appraisal groups together in a joint meeting that wouldn't be headed by any particular group so Mr. Delaney took the responsibility to organize that meeting. According to Mr. Delaney, there was some disagreement between him and Mrs. Conde about the other appraisal groups attending and then Mrs. Conde sent him an email stating that she is taking over this meeting and Mr. Delaney was no longer organizing the meeting, and he was being replaced with someone who is not even an appraiser. Mrs. Conde started sending out newsletters and it became obvious to Mr. Delaney and others that Mrs. Conde used the newsletters as personal platforms to attack people and groups. Mrs. Conde informed Mr. Delaney that she didn't need the ARREA's Board's approval or his to send out any of the newsletters, which created a huge wedge between them. Mr. Delaney decided to resign from AAREA. There is a pattern of behavior here that is against the profession and not for the profession.

Ed Logan, prior Executive Director from 1999 to 2003. It is his opinion to go into Executive Session to obtain legal advice and decide to dismiss this complaint as it is outside the Board's jurisdiction. This is a dispute between two trade agencies. If the Board chooses to investigate this complaint and go down that slippery slope, the Board will have to get a certain type of investigator, not one of the Board investigators. This investigation will take a long time, a lot of money for nothing. If there is anything to this complaint at all, it is in civil suits and not something the Board should concern themselves with.

James Heaslet made the motion for the Board to go into Executive Session to obtain legal advice. Frank Ugenti seconded the motion. The Board voted in favor of the motion, with Debbie Rudd recused.

The Board reconvened from Executive Session.

Rebecca Loar, Regulatory Compliance Officer read into the record emails sent to Dan Pietropaulo, Executive Director to the Board, see attachment #3.

Joanna Conde made a statement to the Board on her own behalf. She informed the Board that this complaint has injured her in terms of time and pain because of the amount of time it required of her to answer this complaint. She felt that the act of filing this complaint was to injure her personally and there were fraudulent statements made in the complaint. Mrs. Conde provided background on how the conference and AAREA was started and her participation from the beginning. She also mentioned the assistance she received from Debbie Rudd with organizing the conference. Mrs. Conde informed the Board that she did not give Peter Martori credit for the conference since he was not in the class but out in the lobby collecting signatures. The only time he was in the classroom was when he was speaking. Mrs. Conde informed the Board that she founded the AAREA corporation through the Arizona Corporation Commission. It wasn't until they started soliciting money under the COAA name on December 29, 2009 that they actually took the trade name Coalition of Arizona Appraisers. Right now according to the Arizona Corporation Commission the Arizona Appraisers Who Care are not in good standing as of December 22, 2011. But they did not file anything since February 2011. Yet they have been soliciting money in their name and they let their names lapse Coalition of Arizona Appraisers in March of 2010. Mrs. Conde mentioned that she couldn't get the Coalition of Arizona Appraiser's name but now has reserved CLAA, LLC under her name.

Mrs. Conde informed the Board she and David Thomas wrote a letter to find out who was funding the legislation. Mrs. Conde informed the Board that if you are lobbying for your own organization you do not need to register with the Secretary of State's office unless you are paid. It was written due to the numerous emails signed by Chad Calhoun as an officer of National Bank and she felt she had every right to know since that legislation would have affected lending. This letter was not part of the initial complaint but was delivered three months later and that letter was never read by the people who signed the complaint.

Mrs. Conde stated that she did not accuse COAA of being an AMC, but asked why they had a webpage with a log in to order an appraisal. She had 74 people go into the website and verify that it was a working website. That question needed to be asked. These people are dealing with AMC legislation; they had taken things out of it that everyone had approved, such as the definition of what an AMC is.

Mrs. Conde informed the Board how she verified the information relating to USPAP with John Brennan and the Appraisal Standards Board and other resources prior to sending out her newsletters and emails. Mrs. Conde reminded the Board that she has been totally open. When she made a mistake with the Board she placed a mea culpa on her website. However, she will not retract things that she feels are true or a matter of opinion. She informed the Board that she felt the AMC legislation was detrimental to appraisers, doesn't think it enhanced things and that appraisers still have pressure and put a burden on the Board and that is why the Board is so far behind with old complaints. Mrs. Conde informed the Board that Joe Delaney did not co-found AAREA that she had drafted the bylaws and presented them to the organization. Mrs. Conde mentioned that she had emails proving that Joe Delaney called meetings behind Mrs. Conde's back and invited the Executive Director, Dan Pietropaulo and other appraiser groups without inviting her. Mrs. Conde did mention that the Executive Director Dan Pietropaulo

decided not to attend these meetings. It was this reason the AAREA Board decided to remove Mr. Delaney from the AAREA Board. Mrs. Conde informed the Board that she disagrees with the allegations of the complaint and has 150 pages in documentation which refute every single allegation except for one. When they put out the letter on future legislation she read it and thought they were adding two members to the Board, and they were not. They were taking away the Licensed Appraiser and replacing that with another Certified Appraiser and putting an AMC representative on the Board. Mrs. Conde admitted to the mistake and she said so later and that is the only shred of truth in this complaint. Mrs. Conde stated that she felt Mr. Pietropaulo was invited to the meetings and that he did not call the meeting. Mrs. Conde informed the Board that she has filed 10 complaints against the complainants and more will be coming. Mrs. Conde stated that three of the complainants are instructors and are in competition with her and the intent of them signing the complaint is for their personal gain.

Frank Ugenti stated that everyone involved has done no good for the appraisal industry or for the profession. In the hundreds of pages of complaint and responses in his opinion is a bunch of childish and unprofessional accusations from both sides. At what point does the Board have the authority, expertise and precedence to comment on this and make a decision on this to find ethic violations or any other violations. Everybody has a right to say what they want to say as long as they don't violate a statute with the intent to harm or defame someone. James Heaslet mentioned that ethics in USPAP isn't restricted to just appraisal practice. Mike Petrus mentioned that there is no mention of a single class that misinformation was presented, there is no evidence that has been presented to the Board. It is up to the reader of the newsletters to determine if they will take the information to be factual and to do the research themselves. Several of the Board members stated that there is lack of evidence to substantiate the allegations in the complaint. Frank Ugenti made the motion that the Board find no violations and dismiss the complaint. Mike Petrus seconded the motion, James Heaslet voted no, the motion passed.

Frank Ugenti left the meeting at 4:22 p.m.

Review and Action concerning 3335 Mary H. Marks

Respondent did not appear. There was concern about the lack of work file and comparables chosen. Mike Petrus made the motion that the Board invite Respondent to an informal hearing. James Heaslet seconded the motion. The Board voted in favor of the motion.

12-month file review

Rebecca Loar, Regulatory Compliance Officer updated the Board on the complaints that have been pending longer than 12-months. The Board requested that Wade Lavigne's complaints pending a formal hearing be scheduled right away.

Executive Director's Report

Jeanne Galvin, Assistant Attorney General stated that her assignments are not current due to the increase in Board meetings. Rebecca Loar informed the Board that there was one complaint extended by staff. Jeanne Galvin reminded the Board that when responding to an email from Board staff to respond only to Board staff and not all the Board members.

New Business

Regarding the discussion, consideration, and possible action concerning information from the Office of Real Estate Appraiser's in California regarding Kurt J. Goeppner. Debbie Rudd made a motion that the Board open a complaint for failure to comply with State Statute ARS 32-3620. James Heaslet seconded the motion. The Board voted unanimously in favor of the motion. Jeanne Galvin suggested that the Board amend the motion to correct the State Statute to ARS 32-3631 a 1 and a 5. Debbie Rudd amended her motion, James Heaslet seconded the motion. The Board voted unanimously in favor of the motion.

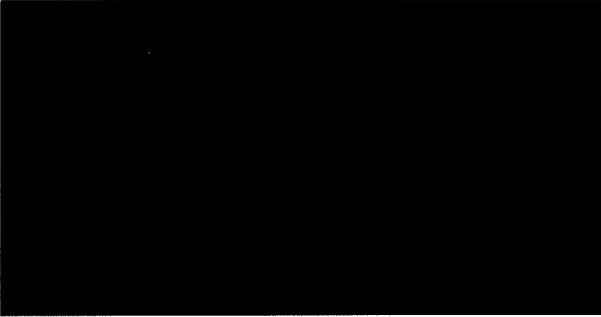
Dates and Times

Rebecca Loar informed the Board that the next meeting is scheduled for February 10, 2012 at a new location. The meeting will take place at the State Land Department Building in the Auditorium in the basement. The Board requested that other locations be considered for future Board meetings.

This meeting was adjourned.



Les Abrams, Chairperson



Attachment #1

Dear Board Of Appraisal,

I received an email yesterday from Joanna Conde, President of AAREA, in which she describes a complaint (#3336) filed against her with the Arizona Board of Appraisal by members of COAA. I have not seen the actual complaint, so I cannot comment upon it point by point; however, the essence of the complaint seems to revolve around Joanna's competency as an appraiser and as an appraisal instructor.

I have met and talked with her several times over the last few years and have found her knowledge of appraisal and appraisal issues quite extensive and her ability to communicate good. I have also taken two seminars from her, one in Prescott and one in Glendale, and found both to be as good as any provided by the various appraisal organizations and private schools.

She has spent a considerable amount of time and effort trying to improve the appraisal profession. She has helped organize and maintain AAREA, the Arizona State Appraisers Conference, and various real estate classes, as well as working in her own appraisal practice. I attended last year's State Conference and found it to be excellent and I plan to attend this year's Conference also.

In my view she should not be reprimanded but instead receive an award for all the good work she has done. I encourage you to dismiss this complaint against her.

I also encourage you examine the motivations of those who filed the complaint. Perhaps, it is they who should be investigated.

Sincerely,

Michael Wolff
Arizona Certified General Real Estate Appraiser #30035

Attachment #2

CONDE COMPLAINT SUMMARY

- 1.) Ms. Conde continuously disseminates incorrect information in her newsletters. She is misleading appraisers on important issues such as USPAP, ABOA and legislation. Having been told by a member of The Appraisal Foundation that a statement that is currently in USPAP was **not** going to change or be discussed, she wrote in a newsletter that it **was** going to be discussed further. (Complaint #2)
- 2.) In her newsletters she gives misleading and incorrect information about other organizations and appraisers. This appears to be an intent to damage and discredit others which is a violation of USPAP Ethics Rule (an appraiser must promote and preserve the public trust inherent in appraisal practice by observing the highest standards of professional ethics) and AZ Appraisal Statutes **32-3631 5. An act or omission involving dishonesty, fraud or misrepresentation with the intent to substantially benefit the license or certificate holder or another person or with the intent to substantially injure another person.** She inaccurately publicly accused CoAA of being an AMC which resulted in hate mail and distrust of CoAA and it's founders. (Complaint #1) She also tells appraisers the AMC law will destroy their business. (Complaint #9)
- 3.) Although her newsletters contain information that is not factual, she never recants that information and corrects it so the regulated community will have the truth. This is a disservice and indicates that she truly has no concern for the welfare of the profession.
- 4.) Over the past two legislative session, Ms. Conde has stated to the Legislators that she *represents* an appraisal organization in the state. According to the Secretary of State, she is not a registered lobbyist which is a violations of state law.
- 5.) AAREA, of which Ms. Conde is President, has removed other Board members without due process.
- 6.) She has personally attacked every CoAA President and Committe Chair in newsletters, emails, personal emails and letters. Ms. Conde has a history of disrupting governing board meetings. At one CoAA meeting she threw a cup at the AI President, talked down to and demeaned other participants at a meeting (many highly credentialed and experienced appraisers), yelled, and threw papers.
- 7.) Her most egregious act was composing a letter which she sent to a CoAA President's employer. It was filled with false and erroneous comments. Fearing further false accusations and disturbances at work, he resigned as CoAA President. She has now published in a newsletter what she did, even further exacerbating the situation and causing more harm to his career. This intent to damage another person's career and reputation is beyond unethical. This is a mean spirited, vengeful unprofessional act.

Attachment #2

Page 2

- 8.) It is Ms. Conde's actions that defy the professionalism required by an appraiser who puts herself out to be a leader and knowledgeable in legislative issues. Her continued reporting of misinformation and bashing of other professionals damages the image of the appraisal professions and promotes mistrust among appraisers, clients and legislators. It is recommended that a cease and desist order from the Arizona Board of Appraisal against further publishing any newsletters from AAREA or Ms. Conde be issued to Ms. Conde. Continuing to allow these diatribes of false information could negatively impact appraisers work product and business.

RONALD P. SLOVAN, SRA
[REDACTED]

Attachment #3

[REDACTED]

Jan. 26, 2012

Dan Pietropaulo
Arizona Board of Appraisal
1400 West Washington, Suite 360
Phoenix, Arizona 85007

Re: Complaint 3336 Joanna M. Conde

I was called on January 26, (Thursday) regarding this complaint. I was told that I could have an ethics charge filed against me with the Appraisal Institute, have charges filed against me with the Arizona Board of Appraisal, and the possibility of a lawsuit due to this complaint.

The complaint was filed for the good of the profession, but I do not feel that I can deal with these issues at this point in my life or subject my family to this.

Respectfully,



Ronald P. Slovan
Certified Residential Appraiser # 20111

RONALD P. SLOVAN, SRA

Jan. 26, 2012

Arizona Board of Appraisal
1400 West Washington, Suite 360
Phoenix, Arizona 85007

Attachment #3

RE: Complaint 3336, Joanna M. Conde

Subject: Retraction of Signature from Complaint

I would like to retract my signature from the complaint referenced above for personal reasons.

Respectfully,



Ronald P. Slovan
Certified Residential Appraiser #20111

RONALD P. SLOVAN, SBA

Jan. 26, 2012

Arizona Board of Appraisal
1400 West Washington, Suite 360
Phoenix, Arizona 85007

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Ronald P. Slovan
Certified Residential Appraiser #20111