

BEFORE THE ARIZONA STATE BOARD OF APPRAISAL

RECEIVED

2008 OCT 30 PM 1:40

ARIZONA BOARD OF APPRAISAL

In the Matter of:

**PAUL F. DEVRIES**  
Certified Residential Appraiser  
Certificate No. 20810

Case No. 2470

**CONSENT AGREEMENT AND ORDER**

In the interest of a prompt and judicious settlement of the above-captioned matter before the Arizona Board of Appraisal (“Board”) and consistent with public interest, statutory requirements and responsibilities of the Board, and pursuant to A.R.S. § 32-3601 *et seq.* and A.R.S. § 41-1092.07(F)(5), Paul F. Devries, (“Respondent”), holder of certificate no. 20810 and the Board enter into this Consent Agreement, Findings of Fact, Conclusions of Law and Order (“Consent Agreement”) as the final disposition of this matter.

On February 21, 2008, the Board held an Informal Hearing to discuss Case No. 2470; Respondent appeared personally and on his own behalf. At the conclusion of the Informal Hearing, the Board voted to offer the Respondent a Consent Agreement and Order of Discipline in lieu of further administrative proceedings.

**JURISDICTION**

1. The Arizona State Board of Appraisal (“Board”) is the state agency authorized pursuant to A.R.S. § 32-3601 *et seq.*, and the rules promulgated thereunder, found in the Arizona Administrative Code (“A.A.C.” or “rules”) at R4-46-101 *et seq.*, to regulate and control the licensing and certification of real property appraisers in the State of Arizona.





1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

that is considered to be substantially superior to the subject's location.

No adjustments for superior location are applied to either of these comparables.

- d. Given the age and interior upgrades of the subject, adjustments for age/condition appear understated.
- e. Land value in Cost Approach at \$575,000 is significantly higher than most recent land sale in the subject subdivision of \$375,000.
- f. Adjustment to Comparable No. 4 for superior age is positive instead of negative.
- g. Comparable No. 3 is reported to be in a gated community and it is not.
- h. The recorded price of Comparable No. 4 is \$2,280,000 but the Respondent notes the price as \$2,400,000. According to the listing agent, the buyer was a Realtor and did not receive a sales commission. Thus, the purchase price of this property was lowered by the amount of the commission. The Respondent does not disclose the reason for the discrepancy.
- i. Based upon the value of the subject property, it is typical appraisal practice to confirm comparable sales with a party to the transaction. The Respondent states confirmation of all sales was only through public records and MLS.

1 CONCLUSIONS OF LAW

2 1. Pursuant to A.R.S. § 32-3635, a certified or licensed appraiser in the State  
3 or Arizona must comply with the standards of practice adopted by the Board. The  
4 Standards of Practice adopted by the Board are codified in the USPAP edition applicable  
5 at the time of the appraisal.  
6

7 2. The conduct described above constitutes violations of the following  
8 provisions of the USPAP, 2006 edition: Standards Rule 1-1(a); Standards Rule 1-1(b);  
9 Standards Rule 1-5(a); Standards Rule 2-1(a); and Standards Ethics Rule—Conduct.  
10

11 ORDER

12 Based upon the foregoing Findings of Fact and Conclusions of Law, the parties  
13 agree to the following:

14 1. **Upon the effective date of this Consent Agreement, Respondent’s**  
15 **Certificate as a Certified Residential Appraiser shall be placed on probation for**  
16 **a minimum period of six (6) months.** During probation, Respondent shall comply  
17 with USPAP, Arizona Revised Statutes and Appraisal Board rules.

18 2. Respondent shall successfully complete the following education prior to  
19 the termination of probation: **a fifteen (15) hour USPAP course (with an**  
20 **examination) and a minimum of six (6) hours of education in the area of**  
21 **mortgage fraud.** These continuing education hours may not be counted toward the  
22 continuing education requirements for the renewal of Respondent’s certificate. The  
23 same class may not be repeated to fulfill the education requirements of this Consent  
24 Agreement

25 Proof of completion of the required education must be submitted to the Board  
26 within 3 weeks of completion of the required courses.

1           3.       During the term of probation, Respondent shall: (a) demonstrate  
2 resolution of the problems that resulted in this disciplinary action; and (b) otherwise  
3 comply with the terms of this Consent Agreement.

4           4.       During the period of probation, Respondent shall complete a minimum  
5 of **twelve (12) appraisal reports** under the supervision of an Arizona Certified  
6 Residential or Certified General Appraiser who shall serve as Respondent's mentor  
7 ("Mentor"). The Mentor shall be either an Arizona Certified Residential or General  
8 Appraiser.

9           5.       **During the probationary period, the Respondent shall not issue a**  
10 **verbal or written appraisal, appraisal review, or consulting assignment without**  
11 **prior review and approval by a Mentor.** Each report shall be signed by the Mentor  
12 as a supervisory appraiser. After four months, the requirement of pre-approval of  
13 appraisals by a mentor may be terminated upon approval by the Board if Respondent  
14 has complied with the conditions set out in this Order.

15           6.       The Mentor must be approved by the Board and is subject to removal by  
16 the Board for nonperformance of the terms of this Consent Agreement. The Mentor  
17 may not have a business relationship with Respondent except for the Mentor/Mentee  
18 relationship nor may the Mentor be related to Respondent. Any replacement Mentor  
19 is subject to the Board's approval and the remaining terms of this Consent Agreement.  
20 The Board's Executive Director may give temporary approval of the Mentor until the  
21 next regular meeting of the Board.

22           7.       Not more than **30 days** after the effective date of this Consent  
23 Agreement, Respondent shall submit to the Board the name and resume of an Arizona  
24 Certified Residential or Arizona Certified General Appraiser who is willing to serve as  
25 Respondent's Mentor together with a letter from the potential Mentor agreeing to  
26 serve as Respondent's Mentor. If requested by Board staff, Respondent shall continue

1 to submit names, resumes, and letters agreeing to serve as Mentor until a Mentor is  
2 approved by the Board. Any Mentor must be approved in writing by the Board.

3 8. Respondent shall bear all costs and expenses associated with the  
4 mentorship and incurred in attended the courses.

5 9. The Mentor shall submit monthly reports to the Board for each calendar  
6 month during Respondent's probationary period reflecting the quantity and quality of  
7 Respondent's work, including, but not limited to, improvement in Respondent's  
8 practice and resolution of those problems that prompted this action. The Mentor's  
9 report shall be filed monthly beginning the 15<sup>th</sup> day of the first month following the  
10 start of Respondent's probationary period and continuing each month thereafter until  
11 termination of the probationary period by the Board. **Even if the Mentor reviews no**  
12 **appraisals during a given month, a report stating that no appraisals were**  
13 **reviewed or approved must be submitted.** It is the Respondent's responsibility to  
14 ensure that the Mentor submits his/her reports monthly. If the monthly reporting date  
15 falls on a Saturday, Sunday, or holiday, the report is due on the next business day.

16 The monthly report may be filed by mail or facsimile.

17 10. The Respondent shall file an appraisal log with the Board on a monthly  
18 basis listing every Arizona appraisal that she has completed within the prior calendar  
19 month by property address, appraisal type, valuation date, the Mentor's review date,  
20 the date the appraisal was issued, and the number of hours worked on each  
21 assignment. The report log shall be filed monthly beginning the 15<sup>th</sup> day of the first  
22 month following the start of Respondent's probationary period and continuing each  
23 month thereafter until the Board terminates the probation. If the log reporting date  
24 falls on a Saturday, Sunday, or holiday, the report log is due on the next business day.  
25 **Even if Respondent performs no appraisals within a given month, he must still**  
26

1 **file an appraisal log with the Board showing that no appraisals were performed.**

2 The monthly log report may be filed by mail or facsimile.

3 11. The Board reserves the right to audit any of Respondent's reports and  
4 conduct peer review, as deemed necessary, during the probationary period. The Board  
5 may, in its discretion, seek separate disciplinary action against the Respondent for any  
6 violation of the applicable statutes and rules discovered in an audit of the  
7 Respondent's appraisal reports provided to the Board under the terms of this Consent  
8 Agreement.

9 12. Respondent's probation, including mentorship, shall continue until: (a)  
10 Respondent petitions the Board for termination as provided in paragraph 13, and (b)  
11 the Board terminates the probation and mentorship. Upon petition by the Respondent  
12 for termination of the probation and mentorship, the Board will select and audit 3 of  
13 Respondent's appraisal reports.

14 13. At the end of **four (4) months** from the effective date of this Consent  
15 Agreement, the Respondent may petition the Board for termination of his mentorship  
16 and probation. If the Board determines that Respondent has not complied with **all** the  
17 requirements of this Consent Agreement, the Board, at its sole discretion, may either:  
18 (a) continue the probation, including mentorship; or (b) at the end of six months,  
19 institute proceedings for noncompliance with this Consent Agreement which may  
20 result in suspension, revocation, or other disciplinary and/or remedial action.

21 14. Respondent shall not act as a supervising appraiser for other appraisers or  
22 trainees, nor shall he act as a mentor, during the term of the probation. Respondent shall  
23 also not teach any course related to real estate appraisals during the term of the probation.  
24

25 15. Respondent shall comply with the Uniform Standards of Professional  
26 Appraisal Practice in performing all appraisals and all Board statutes and rules.

1           16.    If, between the effective date of this Consent Agreement and the  
2 termination of Respondent's probation by the Board, Respondent fails to renew his  
3 license while under this Consent Agreement and subsequently applies for a license or  
4 certificate, the remaining terms of this Consent Agreement, including probation and  
5 mentorship, shall be imposed if the application for license or certificate is granted.

6           17.    Respondent has read and understands this Consent Agreement as set  
7 forth herein, and has had the opportunity to discuss this Consent Agreement with an  
8 attorney or has waived the opportunity to discuss this Consent Agreement with an  
9 attorney. Respondent voluntarily enters into this Consent Agreement for the purpose  
10 of avoiding the expense and uncertainty of an administrative hearing.

11           18.    Respondent understands that he has a right to a public administrative  
12 hearing concerning each and every allegation set forth in the above-captioned matter,  
13 at which administrative hearing he could present evidence and cross-examine  
14 witnesses. By entering into this Consent Agreement, Respondent freely and  
15 voluntarily relinquishes all rights to such an administrative hearing, as well as all  
16 rights of rehearing, review, reconsideration, appeal, judicial review or any other  
17 administrative and/or judicial action, concerning the matters set forth herein.  
18 Respondent affirmatively agrees that this Consent Agreement shall be irrevocable.

19           19.    Respondent understands that this Consent Agreement, or any part  
20 thereof, may be considered in any future disciplinary action against him.

21           20.    The parties agree that this Consent Agreement constitutes final  
22 resolution of this disciplinary matter.

23           21.    Time is of the essence with regard to this agreement.

24           22.    If Respondent fails to comply with the terms of this Consent Agreement,  
25 the Board shall properly institute proceedings for noncompliance with this Consent  
26 Agreement, which may result in suspension, revocation, or other disciplinary and/or

1 remedial actions. Respondent agrees that any violation of this Consent Agreement is a  
2 violation of A.R.S. § 32-3631(A)(8), which is willfully disregarding or violating any  
3 of the provisions of the Board's statutes or the rules of the Board for the  
4 administration and enforcement of its statutes.

5 23. Respondent understands that this Consent Agreement does not constitute  
6 a dismissal or resolution of other matters currently pending before the Board, if any,  
7 and does not constitute any waiver, express or implied, of the Board's statutory  
8 authority or jurisdiction regard any other pending or future investigation, action or  
9 proceeding. Respondent also understands that acceptance of this Consent Agreement  
10 does not preclude any other agency, subdivision or officer of this state from instituting  
11 other civil or criminal proceedings with respect to the conduct that is the subject of  
12 this Consent Agreement.

13 24. Respondent understands that the foregoing Consent Agreement shall not  
14 become effective unless and until adopted by the Board of Appraisal and executed on  
15 behalf of the Board. Any modification to this original document is ineffective and  
16 void unless mutually approved by the parties in writing.

17 25. Respondent understands that this Consent Agreement is a public record  
18 that may be publicly disseminated as a formal action of the Board.

19 26. Pursuant to the Board's Substantive Policy Statement #1, the Board  
20 considers the violations in the above-mentioned case to constitute to a **Level III**  
21 **Violation.**

22 DATED this 30<sup>th</sup> day of October, 2008.

23  
24  
25  
26   
Paul F. deVries, Respondent

  
Deborah G. Pearson, Executive Director  
Arizona Board of Appraisal

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**ORIGINAL** of the foregoing filed  
this 30<sup>th</sup> day of October, 2008 with:

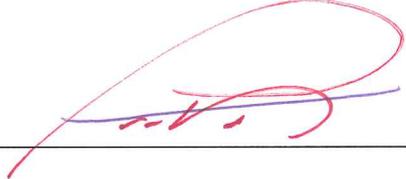
Arizona Board of Appraisal  
1400 W. Washington Street, Suite 360  
Phoenix, AZ 85007

**COPY** of the foregoing mailed regular mail *and certified mail*  
this 30<sup>th</sup> day of October, 2008 to: *7007 2560 0001 3358 878*

*31<sup>st</sup>*  
Paul F. deVries  
P.O. Box 20586  
Fountain Hills, AZ 85269

**COPY** of the foregoing sent or delivered  
this 29 day of October, 2008 to:

*31<sup>st</sup>*  
Jeanne M. Galvin  
Assistant Attorney General  
Arizona Attorney General's Office  
1275 W. Washington, CIV/LES  
Phoenix, AZ 85007

By:  

157873