



ARIZONA BOARD OF APPRAISAL

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ARIZONA BOARD OF APPRAISAL

December 30, 2008

BARBARA S. QUAID
1220 BERGANOT TRAIL
CASTLE ROCK, CO 80108

Re: Board of Appraisal Case No. 2540

Dear Ms. Quaid:

As you know, the Board received a complaint regarding an appraisal you performed on property located at 182 E. Camino Vista Del Cielo, Nogales, AZ with an effective date of May 31, 2006. At its November 20, 2008 meeting, the Board voted to offer you the opportunity to resolve this issue with a Letter of Due Diligence.

In addressing this matter, the Board reviewed the complaint, your response thereto, the appraisal, the supporting work file and the investigative report. The Board concluded that despite the fact that you were provided with a copy of the escrow instructions, you did not report or analyze the concessions on behalf of the borrower (i.e. no money down and the buyer being given a credit of up to 6% for the closing costs by the seller). In addition, the Board concluded that while you collected verification data relating to the comparable sales, your verification was limited to public records as there was no evidence in the workfile that you confirmed the comparable sales with any principals or real estate agents involved with the sales. Moreover, there was no narrative analysis explaining any of the adjustments made to the comparable sales. What was contained on page 7 is limited and appears to be appropriate to virtually any appraisal. Finally, the Board maintains that overall the subject property has inferior views compared to the comparables and therefore, adjustments for the views should have been made. The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice (USPAP), 2006 edition:

Standards Rule 1-4(a) and Standards Rule 1-5(a)

Please refer to the investigative report for a more detailed analysis of the violations listed above. Pursuant to Arizona Administrative Code (A.A.C.) R4-46-301 and the Board's Substantive Policy Statement #1, the Board considers these violations to amount to a Level II Violation. In lieu of further proceedings, and pursuant to Arizona Revised Statutes (A.R.S.) §32-3632(B) and A.A.C. R4-46-301(C), the Board is willing to resolve this matter with a letter of due diligence, if you agree to remedy these violations through



exercising greater due diligence **by successfully completing a minimum of six (6) hours of coursework in mortgage fraud, seven (7) hours in Sales Comparison and seven (7) hours in basic appraisal practice or principles. The coursework must be completed within six (6) months from the date of this letter as shown at the top of the first page of this letter.** Proof of successful completion of the required course must be promptly submitted to the Board within **fourteen (14) days** of taking the coursework. A list of approved remedial and disciplinary education courses is on the Board's website for your convenience in locating the appropriate course(s). The education **may not** be used toward your continuing education requirements for renewal during your next licensing period. **A letter of due diligence is a disciplinary action and is a matter of public record in your Board file, and may be used in any future disciplinary proceeding.**

By signing below, you acknowledge that you have read and understood this letter of due diligence. You have the right to consult with legal counsel regarding this matter, and have done so or choose not to do so.

By signing this letter of due diligence, you are voluntarily relinquishing your right to an informal hearing, formal hearing, and judicial review in state or federal court with regard to the matters herein.

Upon signing this letter of due diligence and returning it to the Board, you may not revoke acceptance of this letter of due diligence. In addition, you may not make any modifications to this letter of due diligence. Any modifications to this letter of due diligence are ineffective and void unless mutually approved by you and the Board.

If any part of this letter of due diligence is later declared void or otherwise unenforceable, the remainder of the letter of due diligence in its entirety shall remain in force and effect.

If you fail to comply with the terms of this letter of due diligence, the Board may properly institute proceedings for noncompliance, which may result in suspension, revocation, or other disciplinary and/or remedial actions. By signing this letter of due diligence you are agreeing that any violation of this letter of due diligence is a violation of A.R.S. § 32-3631(A)(8), which is willfully disregarding or violating any of the provisions of the Board's statutes or the rules of the Board for the administration and enforcement of its statutes.

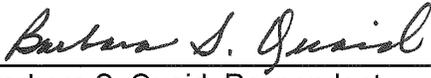
If you agree to accept this letter of due diligence, please execute this document by your signature below. Please return the original signed document to the Board at 1400 W. Washington, Suite 360, Phoenix, Arizona 85007, on or before **January 13, 2009**. If you do not return this original document on or before the specified date, the Board may conduct further proceedings.

Sincerely,



Deborah G. Pearson
Executive Director

ACKNOWLEDGED AND AGREED



Barbara S. Quaid, Respondent



Date

Attachment
c w/o attachment: Jeanne M. Galvin, Assistant Attorney General
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