

BEFORE THE ARIZONA STATE BOARD OF APPRAISAL

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ARIZONA BOARD OF APPRAISAL

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In the Matter of:  
**SAFA P. SITTO**  
Certified Residential Appraiser  
Certificate No. 21363

Case No. 2569  
**CONSENT AGREEMENT AND ORDER  
FOR VOLUNTARY SURRENDER**

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), Safa P. Sitto, ("Respondent"), holder of certificate no. 21363 and the Board enter into this Consent Agreement, Findings of Fact, Conclusions of Law and Order for Voluntary Surrender ("Consent Agreement") as the final disposition of this matter.

On January 15, 2009, the Board met to discuss Case no. 2569. Respondent was properly noticed that the Board would be discussing the above-referenced matter but the matter did not appear on the Agenda for a time-certain. As the matter was not scheduled for a time-certain, the Board considered case no. 2569 during its morning session. However, Respondent, under the mistaken impression that the matter would be considered at 1:00 p.m., appeared personally and on his own behalf at 1:00 p.m. Respondent's Mentor in case no. 2278, Mr. Jim Brown, also appeared with Respondent at 1:00 p.m.

At the conclusion of its consideration of this matter, the Board voted this matter to formal hearing before the Office of Administrative Hearings to consider the revocation of Respondent's certificate as a Certified Residential Appraiser. In lieu of further administrative proceedings, Respondent has elected to enter into this Consent Agreement and Order for the Voluntary Surrender of his certificate.



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**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.

2. Respondent holds a Certificate as a Certified Residential Appraiser in the State of Arizona, Certificate No. 21363 issued on April 19, 2006 pursuant to A.R.S. § 32-3612.

**CONSENT AGREEMENT**

Respondent understands and agrees that:

1. The Board has jurisdiction over Respondent and the subject matter pursuant to A.R.S. § 32-3601 *et seq.*

2. Respondent has the right to consult with an attorney prior to entering into this Consent Agreement.

3. Respondent has a right to a public hearing concerning this case. He further acknowledges that at such formal hearing he could present evidence and cross-examine witnesses. Respondent irrevocably waives his right to such a hearing.

4. Respondent irrevocably waives any right to rehearing or review or to any judicial review or any other appeal of this matter.



1           3.       Respondent is inconsistent in his categorization of the property. In the  
2 appraisal report, Respondent notes the property as being of “good quality” while in the  
3 Cost Approach he characterizes the property as “good to excellent.”

4           4.       Respondent’s Cost Approach is not credible nor is it supportable.

5           5.       In addition, the opinion of site value of \$180,000 is unreasonably high and  
6 there is no indication in the report as to how that opinion is derived nor is it supported in  
7 any way. Moreover, the Respondent failed to consider any sales of vacant land in the  
8 vicinity of which there were numerous properties and Respondent’s conclusion of value  
9 was completely erroneous as the land value estimate of \$180,000. Respondent’s series of  
10 errors in the Cost Approach substantially affected the value conclusion.  
11

12           6.       With respect to Comparable Sales nos. 1, 2 and 4, Respondent attributes a  
13 “good” quality rating, the same as the subject. However, no adjustments were made for  
14 the quality of construction in the Sales Approach. The Board’s investigation revealed that  
15 Comparables No. 1, 2 and 4 are clearly superior in design and quality.  
16

17           7.       There is a lack of comparability between Comparable Sales No. 1, 2 and 4  
18 and the subject property. In addition, there were more comparable sales in closer  
19 proximity to the subject that were not employed and that were more similar in quality and  
20 location to the subject.  
21

22           8.       With respect to the subject neighborhood, Respondent states that “The  
23 subject’s neighborhood has average market appeal and competes favorably with other  
24 neighborhoods in the subject market area.” The Board’s investigation revealed that the  
25 subject’s neighborhood would not compete favorably with most neighborhoods in the  
26

1 Prescott Valley, particularly those from which Comparable Sales nos. 1, 2 and 4 were  
2 extracted. Specifically, there is no landscaping whatsoever as depicted in the street scene  
3 photograph, the street is unpaved and there are no improvements of any kind to the sites  
4 or in terms of landscaping. There is a lack of analysis by Respondent of the subject  
5 neighborhood.  
6

7 9. The discussion for the adjustments for Comparables Sales nos. 1 through 5  
8 is completely inadequate as there was no rationale provided for the adjustments made.

9 10. The Respondent mischaracterized the subject property, he utilized  
10 comparable sales greatly superior and he avoided sales in the immediate proximity to the  
11 subject property.  
12

### 13 CONCLUSIONS OF LAW

14 Pursuant to A.R.S. § 32-3635, a certified or licensed appraiser in the State of  
15 Arizona must comply with the standards of practice adopted by the Board. The  
16 Standards of Practice adopted by the Board are codified in the USPAP edition applicable  
17 at the time of the appraisal.  
18

19 The conduct described above constitutes violations of the following  
20 provisions of the USPAP, 2006 edition: Standards Rule 1-1(b) and (c); Standards Rule  
21 1-4 (a); Standards Rule 2-2(b)(viii); The Competency Rule; and Ethics Standard Rule--  
22 Conduct.  
23

### 24 ORDER

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

1           1.       **Upon the effective date of this Consent Agreement for Voluntary**  
2 **Surrender, Respondent's Arizona Certificate as a Certified Residential**  
3 **Appraiser (#21363) shall be surrendered.** Once the surrender is effectuated,  
4 Respondent **shall not issue a verbal or written appraisal, appraisal review, or**  
5 **consulting assignment in the State of Arizona.** The effective date of this Consent  
6 Agreement for Voluntary Surrender is the date the Consent Agreement for Voluntary  
7 Surrender is accepted by the Board as evidenced by the signature of the Board's  
8 Executive Director

9           2.       Respondent has read and understands this Consent Agreement for  
10 Voluntary Surrender as set forth herein, and has had the opportunity to discuss this  
11 Consent Agreement for Voluntary Surrender with an attorney or has waived the  
12 opportunity to discuss this Consent Agreement for Voluntary Surrender with an  
13 attorney. Respondent voluntarily enters into this Consent Agreement for Voluntary  
14 Surrender for the purpose of avoiding the expense and uncertainty of an administrative  
15 hearing.

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

25

26

1           4.       Respondent understands that this Consent Agreement for Voluntary  
2 Surrender, or any part thereof, may be considered in any future disciplinary action  
3 against him or in any future decision regarding re-licensure.

4           5.       The parties agree that this Consent Agreement for Voluntary Surrender  
5 constitutes final resolution of this disciplinary matter.

6           6.       Time is of the essence with regard to this agreement.

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

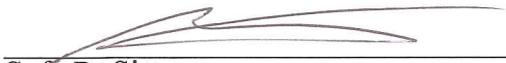
16           8.       Respondent understands that the foregoing Consent Agreement for  
17 Voluntary Surrender shall not become effective unless and until adopted by the Board  
18 of Appraisal and executed on behalf of the Board. Any modification to this original  
19 document is ineffective and void unless mutually approved by the parties in writing.

20           9.       Respondent understands that this Consent Agreement for Voluntary  
21 Surrender is a public record that may be publicly disseminated as a formal action of  
22 the Board.

23           10.      Pursuant to the Board's Substantive Policy Statement #1, the Board  
24 considers the violations in the above-referenced matter to constitute to a **Level V**  
25 **Violation.**

26           DATED this 20 day of MARCH April, 2009.

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Safa P. Sitto  
Respondent

  
Deborah G. Pearson, Executive Director  
Arizona Board of Appraisal

**ORIGINAL** of the foregoing filed  
this 20<sup>th</sup> day of April, 2009 with:

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

**COPY** of the foregoing mailed regular mail and certified mail # 7008 1140 00049529 4729  
this 20<sup>th</sup> day of April, 2009 to:

Safa P. Sitto  
26633 North 41<sup>st</sup> Way  
Cave Creek, AZ 85331

**COPY** of the foregoing sent or delivered  
this 20<sup>th</sup> day of April, 2009 to:

Jeanne M. Galvin  
Assistant Attorney General  
Arizona Attorney General's Office  
1275 W. Washington - CIV/LES  
Phoenix, AZ 85007



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