



February 24, 2010

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

RECEIVED

2010 MAR 30 PM 4:22

ARIZONA BOARD OF APPRAISAL

Mr. Matthew S. Prince
4515 E. Grant Rd., #B 228
Tucson, AZ 85712

Re: Board of Appraisal Case No. 2873

Dear Mr. Prince:

As you know, the Board received a complaint regarding an appraisal you performed on a manufactured home located at 15055 W. Jalisco Road, Arivaca, AZ 85601 with an effective date of value of May 6, 2009. At its January 28, 2010, meeting the Board voted to offer you the opportunity to resolve this issue with a Letter of Due Diligence.

In addressing these matters, the Board reviewed the complaint, your response thereto, the appraisal, the supporting workfile and the Investigator's Report. The Board concluded that you incorrectly noted that the home was manufactured in 1991 and stated that the serial number is "unknown." However, the Pima County Assessor's website clearly stated that the home was a 1998 Clayton home and the home's serial number was also available on the website. In addition, you stated that data source used was "public records" when, in fact, the source was Courthouse Retrieval System (CRS) which is a private data service. There were several factual errors in the appraisal report including the sale price for Sale No. 1, the sale date for Sale No. 1, the prior transfer history for Sale No. 1 and the financing for Sale No. 2. With respect to Sale No. 1, you failed to discuss the fact that there was a gold mine on the property, which is an unusual feature for a residential property. There was no evidence in the workfile that the contributory value or any other issues relating to the mine had been addressed. Moreover, the report was misleading about the currency of the data source as the effective date of the data was 3/6/2009. The data was queried on 5/6/2009. The use of the data source that had not been updated for two months was a contributing factor the errors in the appraisal report regarding the sale price and the sales history of Sale No. 1. The errors could have been avoided with more diligence and verification of data from additional sources.

The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice (USPAP), 2008-2009 edition:

Standards Rule 1-1(c)

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 not less than seven (7)**

hours in Manufactured Homes. The course must be completed within six (6) months from the date of this letter as shown at the top of the first page. A list of approved remedial and disciplinary education courses is on the Board's website for your convenience in locating the appropriate course(s). Please note that the education obtained pursuant to this Order **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 understand 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.

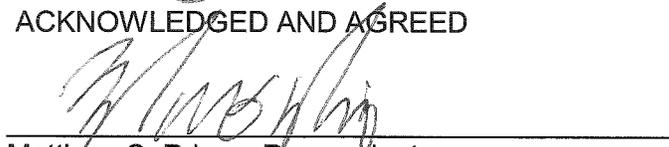
If you fail to comply with the terms of this letter of due diligence, the Board may properly institute proceedings for noncompliance, which may result in suspension, revocation, or other disciplinary and/or remedial actions. By signing this letter of due diligence you are agreeing that any violation 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.

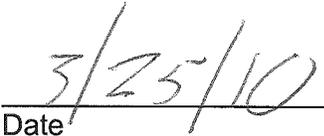
If you agree to accept this letter of due diligence, please execute this document by your signature below. Please return the original signed document to the Board at 1400 W. Washington, Suite 360, Phoenix, Arizona 85007, on or before **March 25, 2010**. If you do not return this original document on or before the specified date, the Board may conduct further proceedings.

Sincerely,


J. Randy Frost
Interim Executive Director

ACKNOWLEDGED AND AGREED


Matthew S. Prince, Respondent


Date

c: Jeanne M. Galvin, Assistant Attorney General