



## 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

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2009 OCT -8 PM 12:24  
ARIZONA BOARD OF APPRAISAL

October 2, 2009

RYAN P. GRAFFIUS  
366 N. HOBSON CT.  
GILBERT, AZ 85233

Re: Board of Appraisal Case No. 2925

Dear Mr. Graffius:

As you know, the Board received a complaint regarding an appraisal you performed on a property located at 10092 E. Hay Loft Rd., Florence, AZ 85232, with an effective date of value of January 13, 2008. At its September 17, 2009 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, and the supporting workfile. The Board concluded that instead of photographs of the subject, you included photographs of the property next door that was a model match for the subject. In addition, there were several copies of the appraisal report in the workfile with no indication of which one was the final report and with differing numbers of comparables. Moreover, Comparable Sale No. 3 was approximately \$100,000 higher than the other two comparables and you failed to adequately explain or analyze that discrepancy; alternative sales were available that could have lead to a different opinion of value; the subdivision map was not clear; your conclusion that the marketing trends were "stable" and "in balance" is not credible; and you noted the incorrect parcel number for the subject property. In addition, obsolescence is noted in the Cost Approach comments but not taken I this approach and no dimensions were on the workfile sketch which calls into question the validity of the final appraisal sketch. Finally, there was no evidence of abstraction the workfile for the site value determination and there was no discussion of individual adjustments to the Sales Grid which were not evident to a reader.

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(b) and (c); Standards Rule 1- 4(a);  
Standards Rule 2-1(b); Standards Rule 2-2(b)(iii);  
Standard Ethics Rule—Recordkeeping and Conduct**

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 Report Writing and seven (7) hours in Sales Comparison Approach. The coursework 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

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course(s). The education **may not** be used toward your continuing education requirements for renewal during your next licensing period. You must submit proof of completion of the coursework to the Board within thirty (30) days of completing the coursework.

**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 **October 16, 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

  
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Ryan P. Graffius, Respondent

10-06-2009  
Date

c: Jeanne M. Galvin, Assistant Attorney General