



ARIZONA BOARD OF APPRAISAL

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May 6, 2014

Mr. James Woods
1880 Lucille Ave., Ste. 1
Kingman, AZ 86401

Re: Board of Appraisal Case No. 3607

Dear Mr. Woods,

As you know, the Board received a complaint against you for the appraisal you performed on a manufactured home located at 6847 S. Hawk Circle, Kingman, AZ with an effective date of value of July 9, 2013.

This matter was first discussed at the Board's February 21, 2014, meeting. Through your counsel, you then presented the Board with proposed amendments to the proposed Letter of Due Diligence. Those proposed amendments were considered at the Board's April 18, 2014, meeting. In addressing this matter, the Board reviewed the complaint, your response thereto, the appraisal, the supporting workfile, the Investigative Review and your proposed changes.

The Board concluded that the improvements include a 520 SF addition that is not checked in the improvement description grid. This area is included in the total GLA but the appraisal is completed subject to obtaining a legal permit. There was no discussion whether this addition impacted the value of the property. Also, the addition is referred to as 215 SF rather than 520 SF in the reconciliation. The subject has a 2-car garage plus a carport but it is reported as having a 1-car garage and some of the adjustments to the comparable sales were based upon the subject having a 1-car garage. Moreover, adjustments for differences in site area and garage parking are not applied consistently. The date of sale (year) for Comparable nos. 2 and 4 is incorrect. Comparable no. 2 was incorrectly reported to have a prior sale when, in fact, Comparable No. 3 had a prior sale. Further, the top of page 3 reflects one comparable sale in the prior 12 months, when there are four closed sales reflected in the sales comparison approach. Photo pages for Comparables 2 and 3 do not report any property information. Overall, there are multiple errors in the comparable sales information, the adjustments were not applied consistently and there was a general lack of narrative description in the report. There were errors throughout the report that affected the report's credibility.

The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice (USPAP), 2012-2013 Edition:

**Standards Rule 1-1(c); Standards Rule 1-2(e); Standards Rule 1- 4(a) and
Standards Rule 2-2(b)(iii) and (b)(viii)**

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 and **by successfully completing a seven (7) hour course in Report Writing and the seven (7) hour 2014-2015 USPAP Update course. The coursework must be completed within six (6) months from the date of this letter as shown at the top of the first page. It is understood that you recently completed the seven (7) hour 2014-2015 USPAP Update course. This course will satisfy the above requirement provided that you submit proof of its completion to the Board within the next thirty days.** 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 except that the 2014-2015 USPAP Update course may be used to satisfy your continuing education requirement. You must submit proof of completion of the remaining 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 proceedings. 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 matter 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.

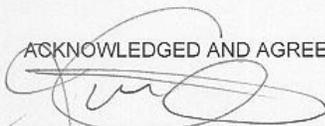
If you fail to comply with the terms of this letter of due diligence, the Board may properly institute proceedings for noncompliance, which may result in suspension, revocation, or other disciplinary and/or remedial actions. By signing this letter of due diligence you are agreeing that any violation 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 15 South 15th Avenue, Ste. 103A, Phoenix, Arizona 85007, on or before May 20, 2014. As part of the Board's motion on April 18, 2014, this matter will proceed to formal hearing if it cannot be resolved with this Letter of Due Diligence.

Sincerely,

Debra Rudd
Executive Director

ACKNOWLEDGED AND AGREED



James Woods, Respondent

5/15/2014

Date

c: Jeanne M. Galvin, Assistant Attorney General
Tina M. Ezzell, attorney for Respondent

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