



ARIZONA BOARD OF APPRAISAL

15 S. 15th Ave., Suite 103A
Phoenix, Arizona 85007
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Email: info@azboa.gov
Website: www.boa.az.gov

March 6, 2014

Mr. Wayne K. Shelton
13580 W. Alvarado Drive
Goodyear, AZ 85395

Re: Board of Appraisal Case No. 3620

Dear Mr. Shelton,

As you know, the Board received a complaint against you for the appraisal you performed on a single family residence located at 3015 E. Gelding Drive, Phoenix, AZ with an effective date of value of July 23, 2013.

At its February 21, 2014, monthly meeting, the Board of Appraisal met to discuss this case. In addressing this matter, the Board reviewed the complaint, your response thereto, the appraisal, the supporting workfile, and the Investigative Review.

The Board concluded that you failed to properly calculate the size of the subject improvements. Specifically, a review of the appraisal sketch revealed that the second floor livable area was calculated without the open area and then that area was deducted. This deduction double counted the open area. Based upon the information available, it would appear that you understated the size of the home by over 300 square feet. You also acknowledge that you on the day of the inspection, you missed a 2' x 9' bump-out on the right side of the home. The calculation of livable area was in error and significantly impacted the analysis and conclusion of value. Finally, the adjustments for list to sales price are excessive and unsupported and square footage adjustments are understated due to the error in livable area.

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(a) and (b); Standards Rule 1-2(e)(i); Standards Rule 1-4(a); Standards Rule 2-1(a) and (b); 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 Complex Properties 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.** 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 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.

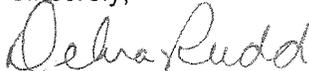
Upon signing this letter of due diligence and returning it to the Board, you may not revoke acceptance of this letter of due diligence. In addition, you may not make any modifications to this letter of due diligence. Any modifications to this letter of due diligence are ineffective and void unless mutually 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 **April 7, 2014**. If you do not return this original document on or before the specified date, the Board may conduct further proceedings, including but not limited to a formal hearing before the Office of Administrative Hearings.

Sincerely,



Debra Rudd
Executive Director

Received

MAR 21 2014

ACKNOWLEDGED AND AGREED

Wayne K. Shelton
Wayne K. Shelton, Respondent

3-18-2014
Date

c: Jeanne M. Galvin, Assistant Attorney General

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