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AZ Board of Appraisal
15 S. 1st Ave., Suite 103A
Phoenix, AZ 85004

BEFORE THE ARIZONA STATE BOARD OF APPRAISAL

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IN THE MATTER OF:

STEVEN W. MERRIOTT
Certified Residential Appraiser
Certificate No. 21967

CASE NO. 3660

CONSENT AGREEMENT and
ORDER FOR DISCIPLINE

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), Steven Merriott ("Respondent"), holder of Certificate No. 21967 and the Board enter into this Consent Agreement and Order for Voluntary Suspension ("Consent Agreement") as the final disposition of this matter.

On August 15, 2014, the Board held an Informal Hearing in the above-captioned matter. Respondent was properly noticed and appeared with counsel, James Braselton. At the conclusion of the Board's consideration of the issues, the Board voted to offer the Respondent a Consent Agreement and Order for Discipline in lieu of further administrative proceedings.

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. 21967 issued on October 3, 2008, pursuant to A.R.S. § 32-3612.

CONSENT AGREEMENT

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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.

5. This Consent Agreement shall be subject to the approval of the Board and shall be effective only when signed by the Executive Director and accepted by the Board. In the event that the Board does not approve this Consent Agreement, it is withdrawn and shall be of no evidentiary value and shall not be relied upon nor introduced in any action by any party, except that the parties agree that should the Board reject this Consent Agreement and this case proceeds to hearing, Respondent will assert no claim that the Board was prejudiced by its review and discussion of this document or any records relating thereto.

6. The Consent Agreement, once approved by the Board and signed by the Respondent, shall constitute a public record which may be disseminated as a formal action of the Board.

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1 FINDINGS OF FACT

2 1. On or about January 22, 2014, Mr. Jason Smith filed complaint no. 3660
3 with the Board and against Respondent. The Complainant alleged that on or about
4 September 2013, he engaged Respondent to perform an appraisal of his property.
5

6 2. Board staff sent a copy of the complaint to Respondent and requested that
7 he provide a written response but he failed to do so. Respondent testified before the
8 Board that he wanted to complete a USPAP course before he submitted his written
9 response to the Board.
10

11 3. Respondent completed an interior inspection of the subject property in
12 September of 2013, and at the same time, accepted \$400 in cash from the complainant for
13 the appraisal Respondent agreed to produce.
14

15 4. When Respondent failed to produce the written appraisal, the Complainant
16 contacted Respondent numerous times via phone and text messaging over the next
17 several months in an attempt to obtain the written appraisal. Respondent either offered
18 the Complainant a variety of excuses as to why the written appraisal was not complete or
19 did not respond to the Complainant.
20

21 5. According to Respondent, he did complete some work on the appraisal in
22 that he inspected the property and reviewed potential comparable sales. Respondent
23 acknowledges that he did not complete the written appraisal he was hired to complete
24 although his workfile contained a draft of an appraisal report.

25 6. Further, during his appearance at the Board, Respondent acknowledged that
26 the complainant contacted him numerous times over the last several months in an attempt

1 to obtain the written appraisal report and that Respondent “led him on” with excuses
2 when it became obvious to Respondent that he could not produce what he thought was a
3 credible report. According to Respondent, he had tried to provide the Complainant with a
4 partial refund of the \$400.00 fee but was unsuccessful.
5

6 7. When Complainant filed the complaint, Respondent returned the \$400.00 in
7 full to the Complainant.

8 **CONCLUSIONS OF LAW**

9 The conduct described above constitutes violations of the following Standards of
10 the Uniform Standards of Professional Appraisal Practice, 2012-2013 edition:
11

12 **Standard Ethics Rule—Conduct**

13 **ORDER FOR DISCIPLINE**

14 Based upon the foregoing Findings of Fact and Conclusions of Law, the parties
15 agree to the following Order of Discipline:
16

17 1. Respondent shall complete the following education within six (6) months of
18 the effective date of this Consent Agreement: **a fifteen (15) hour USPAP course (with
19 an exam) and a minimum of eight (8) hours in Ethics and Professionalism/Business
20 Practices.** The education required under this paragraph **may not be counted toward the
21 continuing education requirements for the renewal of Respondent’s certificate.** The
22 same class may not be repeated to fulfill the education requirements of this Consent
23 Agreement. The effective date of the Consent Agreement is the date it is signed by the
24 Board’s Executive Director on behalf of the Board.

25 2. Proof of completion of the required education must be submitted to the
26 Board within 3 weeks of completion of the required coursework.

- 1 3. Respondent shall bear all costs and expenses associated with the
2 completing the required course(s).
- 3 4. Respondent shall comply with the Uniform Standards of Professional
4 Appraisal Practice in performing all appraisals and all Board statutes and rules.
- 5 5. If, between the effective date of this Consent Agreement and the
6 Respondent's compliance with this Consent Agreement, Respondent fails to renew his
7 certificate and subsequently applies for a license or certificate, the remaining terms of this
8 Consent Agreement shall be imposed if the application for license or certificate is
9 granted.
- 10 6. Respondent has read and understands this Consent Agreement as set forth
11 herein, and has had the opportunity to discuss this Consent Agreement with an attorney
12 or has waived the opportunity to discuss this Consent Agreement with an attorney.
13 Respondent voluntarily enters into this Consent Agreement for the purpose of avoiding
14 the expense and uncertainty of an administrative hearing.
- 15 7. Respondent understands that he has a right to a public administrative
16 hearing concerning each and every allegation set forth in the above-captioned matter, at
17 which administrative hearing he could present evidence and cross-examine witnesses. By
18 entering into this Consent Agreement, Respondent freely and voluntarily relinquishes all
19 rights to such an administrative hearing, as well as all rights of rehearing, review,
20 reconsideration, appeal, judicial review or any other administrative and/or judicial action,
21 concerning the matters set forth herein. Respondent affirmatively agrees that this Consent
22 Agreement shall be irrevocable.
- 23 8. Respondent understands that this Consent Agreement, or any part thereof,
24 may be considered in any future disciplinary action against him.
- 25 9. Time is of the essence with regard to this agreement.
26

1 10. If Respondent fails to comply with the terms of this Consent Agreement
2 and Order, the Respondent understands that the Board may initiate proceedings for non-
3 compliance which may result in suspension, revocation, or other disciplinary and/or
4 remedial actions. Respondent agrees that any violation of this Consent Agreement is a
5 violation of A.R.S. § 32-3631(A)(8), which is willfully disregarding or violating any of
6 the provisions of the Board's statutes or the rules of the Board for the administration and
7 enforcement of its statutes.

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

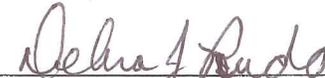
16 12. Respondent understands that the foregoing Consent Agreement shall not
17 become effective unless and until adopted by the Board of Appraisal and executed on
18 behalf of the Board. Any modification to this original document is ineffective and void
19 unless mutually approved by the parties in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

20 13. Respondent understands that this Consent Agreement is a public record that
21 may be publicly disseminated as a formal action of the Board.

22 14. Pursuant to the Board's Substantive Policy Statement #1, the Board
23 considers the violations in the above-referenced matters to constitute to a **Level III**
24 **Violation.**

1 DATED this ^{9th} ~~20~~ day of ^{October} ~~September~~, 2014.

2
3 
4 Steven W. Merriott
5 Respondent


Debra J. Rudd
Executive Director
Arizona Board of Appraisal

6 ORIGINAL of the foregoing filed
7 this ^{9th} day of ^{October}, 2014 with:

8 Arizona Board of Appraisal
9 15 South 15th Ave, Ste. 103A
Phoenix, Arizona 85007

10
11 COPY of the foregoing mailed regular
12 and certified mail ^{7012 3050 0002 0740 5431}
13 this ^{9th} day of ^{October}, 2014 to:

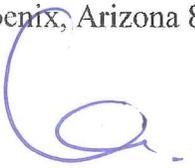
14 Mr. Steven W. Merriott
15 6122 W. Potter Drive
16 Glendale, AZ 85308

17 COPY of the foregoing mailed regular mail
18 this ^{9th} day of ^{October} 2014, to :

19 Mr. James Braselton
20 Dickinson Wright
21 1850 N Central, Suite 1400
22 Phoenix, AZ 85004

23 COPY of the foregoing sent or delivered
24 this ^{9th} day of ^{October}, 2014 to:

25 Jeanne M. Galvin
26 Assistant Attorney General
Arizona Attorney General's Office
1275 West Washington, CIV/LES
Phoenix, Arizona 85007


By: _____
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