



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

December 15, 2014

Mr. Keith J. Holmes
3006 Marlin Drive
Lake Havasu City, AZ 86404

Re: Board of Appraisal Case No. 3664

Dear Mr. Holmes,

As you know, the Board received a complaint against you for the appraisal you performed on a single family residence located at 2250 Interceptor Drive, Lake Havasu City, AZ with an effective date of value of June 5, 2013.

At its September 19, 2014, monthly meeting, the Board of Appraisal held an Informal Hearing to consider this case. You appeared personally and on your own behalf. In addressing this matter, the Board reviewed the complaint, your response thereto, the appraisal, the supporting workfile, and the Investigative Review as well as your testimony.

The Board concluded that you failed to adequately provide support for the land adjustments. In addition, while you stated that you treated the double lot as one lot, you failed to adequately explain this analysis within the report. Moreover, there were inconsistencies between your field sketch and the sketch contained in the appraisal report. Specifically, in your field sketch, two walls were mis-measured anywhere from 3 to 5 feet and those measurements did not match the final calculations. Finally, you provided your workfile which consists of just 8 pages of the sketch and some summary sales data. The workfile contained no individual MLS or public record sheets for any of the comparables. Overall, the Board concluded that your workfile was inadequate and did not provide sufficient support for the appraisal report.

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) and the Standard Ethics Rule---Recordkeeping

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 III 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 in the future and **by successfully completing a fifteen**

(15) hour course in Basic Appraisal (with an exam) and a fifteen (15) hour USPAP 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. The Board will accept your completion of the 15 hour USPAP Course if you completed the course within the last twelve (12) months from the date of this letter. If you have not previously taken the course, you are required to do so at this time. 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. 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 **December 30, 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.

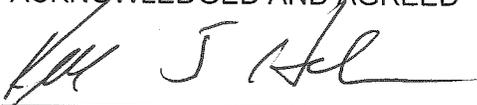
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Sincerely,



Debra Rudd
Executive Director

ACKNOWLEDGED AND AGREED



Keith J. Holmes, Respondent

12-23-2014
Date

c: Jeanne M. Galvin, Assistant Attorney General