



Mark Brnovich
Attorney General

Office of the Attorney General
State of Arizona

Jeanne M. Galvin
Assistant Attorney General

January 20, 2015

Robin L. Silberman
10068 E. San Salvador Drive
Scottsdale, AZ 85258

RE: Board of Appraisal Case no. 3703

Dear Ms. Silberman,

At its December 19, 2014, meeting the Board of Appraisal convened to discuss Case No. 3703. At the Board's conclusion of its consideration of the matter, the Board voted to offer you the opportunity to resolve the above-referenced matter by Consent Agreement and Order. Enclosed please find the Consent Agreement offered by the Board that contains the provisions agreed to during the meeting.

Pursuant to the terms of the Consent Agreement and Order, the Board is seeking to place your certificate on probation for a period of six months during which you are to be supervised by a Certified Residential or Certified General Appraiser who will act as your Mentor.

If the terms of the Consent Agreement and Order are acceptable to you, please sign where indicated and return the **original** to the Board of Appraisal at 15 South 15th Ave., Ste. 103A, Phoenix, Arizona 85007. A fully executed copy of the Consent Agreement and Order will be provided to you when it is signed by the Board or its Executive Director.

If you have any questions regarding the Consent Agreement and Order, please call me. The **original** must be received in the Board office by **February 13, 2015**. If we are unable to settle this matter by Consent Agreement and Order, the matter may proceed to a formal hearing.

Please call me if you have any questions.

Sincerely,

Jeanne M. Galvin
Assistant Attorney General

JG - #4295348

Enclosure as stated

cc: Debra Rudd, Executive Director

1 CONSENT AGREEMENT

2 Respondent understands and agrees that:

3 3. The Board has jurisdiction over Respondent and the subject matter pursuant
4 to A.R.S. § 32-3601 *et seq.* The parties to this Consent Agreement are the Board and the
5 Respondent.

6 4. Respondent has the right to consult with an attorney prior to entering into
7 this Consent Agreement.

8 5. Respondent has a right to a public hearing concerning this case. She further
9 acknowledges that at such formal hearing she could present evidence and cross-examine
10 witnesses. Respondent irrevocably waives her right to such a hearing, and the issues
11 addressed herein have not been actually litigated.

12 6. Respondent irrevocably waives any right to rehearing or review or to any
13 judicial review or any other appeal of this matter.

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

22 8. The Consent Agreement, once approved by the Board and signed by the
23 Respondent, shall constitute a public record which may be disseminated as a formal
24 action of the Board.
25
26

1 FINDINGS OF FACT

2 On or about July 25, 2014, the Board’s investigation revealed the following:

3 9. This matter deals with an appraisal conducted and report written by
4 Respondent of a single family residence located at 1730 E. Tapestry Heights, Phoenix
5 with an effective date of value of March 11, 2013.

6 10. The Respondent fails to accurately report the subject’s below grade livable
7 area or guest house square footage and room counts. Specifically, Respondent stated that
8 given the complexity of the subject’s floorplan, she relied upon the Assessor’s livable
9 area for the analysis. The sales comparison grid reflects the GLA of the subject as 7,762
10 SF, inclusive of the below grade livable area and the guest house is reported as “Yes”,
11 rather than by square footage or room counts. The net result of the way the Respondent
12 reported the subject improvements is an understatement of the livable area of
13 approximately 1,000 SF.

14 11. According to ARMLS and the Respondent’s sketch, the Casita includes a
15 bedroom, bathroom, living area, kitchen and large bonus room. When comparing this
16 feature to guest quarters of the comparable sales, the Respondent does not differentiate
17 the size and utility of this area and does not adjust for the subject’s superior size.

18 12. In addition, Comparable no. 1 is reported as having guest quarters and is
19 not adjusted. However, according to ARMLS and the Assessor’s records, this property
20 does not have a detached guest house/Casita, only an exterior exit from one of the guest
21 bedrooms. As a result of this area being part of the main floor, the square footage is
22 already reflected in the GLA of the property and should be not be double counted as a
23 separate line item under Guest Qtrs.

24 13. Comparable no. 2 is also reported in Maricopa County Assessor’s records
25 and ARMLS as having only an exterior exit from one of the guest bedrooms. As a result
26 of this area being part of the main floor, the square footage is already reflected in the

1 GLA of the property and should not be double counted as a separate line item under
2 Guest Qtrs.

3 14. According to a representative of the Maricopa County Assessor's Office,
4 Comparable no. 3 is reported as having a 4,483 SF of livable area with an additional
5 detached residence (guest house) of 1,162 SF. This comparable is reported in the sales
6 comparison grid as 6,285 SF with the guest house only identified as "yes." The guest
7 house of this property is approximately 700 SF smaller than the subject guest house with
8 no adjustment.

9 15. With respect to Comparable no. 5, it is reported to have below grade livable
10 area and a detached guest house. The below grade areas is not properly delineated.
11 According the listing agent, these areas are both included in the GLA reported in
12 ARMLS and in the sales comparison grid. Therefore, the GLA is overstated and the
13 adjustment for size differences is misstated.

14 16. The room counts are primarily incorrect due to Respondent's failure to
15 delineate the below grade and guest house livable areas.

16 17. In addition, the legal description lacks the lot number and the site
17 dimensions of 490' x 100' do not reflect the shape of the subject site. Moreover, the
18 purpose of the appraisal was for marketing the property, but the appraisal was prepared
19 on the 1004 form for lending purposes only.

20 18. Moreover the subject neighborhood boundaries extend nearly 20 miles east
21 of the subject search parameters noted in the workfile and includes the entire Tempe
22 Union High School District that encompasses close to 100 square miles. The subject is
23 located in the Ahwatukee Foothills area and is a distinct market area. It is highly unlikely
24 that a potential buyer would consider properties in South Tempe as competitive to the
25 subject's location.

26

1 The conduct described above constitutes violations of the following provisions of
2 the USPAP, 2012-2013 edition:

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

5 **ORDER**

6 Based upon the foregoing Findings of Fact and Conclusions of Law, the parties
7 agree to the following:

8 23. **Upon the effective date of this Consent Agreement, Respondent's**
9 **Certificate as a Certified Residential Appraiser shall be placed on probation for a**
10 **minimum period of six (6) months.** During probation, Respondent shall comply with
11 USPAP, Arizona Revised Statutes and Appraisal Board rules. The effective date of this
12 Consent Agreement and Order is the date the Order is signed by the Executive Director
13 on behalf of the Board.

14 24. During the term of probation, Respondent shall: (a) demonstrate resolution
15 of the problems that resulted in this disciplinary action; and (b) otherwise comply with
16 the terms of this Consent Agreement.

17 25. Respondent shall complete the following education within six (6) months of
18 the effective date of this Consent Agreement: a **seven (7) hour Sales Comparison**
19 **Approach course and a fifteen (15) hour Basic Appraisal course (with an exam).** The
20 education required under this paragraph **may not be counted toward the continuing**
21 **education requirements for the renewal of Respondent's certificate.** In addition, all
22 of the required education **must be taken in -person and may not be completed through**
23 **distance education.** The same class may not be repeated to fulfill the education
24 requirements of this Consent Agreement.

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

1 27. In addition, within six months of the effective date of this Consent
2 Agreement, Respondent shall attend a minimum of **one (1) regularly scheduled in-**
3 **person Board meeting for a minimum of three hours. It is recommended that**
4 **Respondent attend the morning session of a Board meeting, if possible.** Within 14
5 days of Respondent's attendance at a Board meeting, she shall submit to the Board proof
6 of her attendance at a meeting. The proof may consist of an agenda for the Board meeting
7 signed by the Board's Executive Director or designated staff member (noting sign-in and
8 sign-out times) or other such proof as determined by the Board's Executive Director.

9 28. During probation, Respondent shall complete a minimum of **six (6)**
10 **appraisal reports** under the supervision of an Arizona Certified Residential or Certified
11 General Appraiser who shall serve as Respondent's mentor ("Mentor"). **The appraisal**
12 **reports may be demonstration reports. All appraisal reports and appraisal reviews**
13 **completed by Respondent during the term of probation must be completed under**
14 **the supervision of a mentor but Respondent must complete at least 6 reports.**

15 29. During the term of probation, the Respondent shall not issue a verbal or
16 written appraisal, appraisal review, or consulting assignment without prior review and
17 approval by a Mentor. Each report shall **either** be signed by the Mentor as a supervisory
18 appraiser **or** the Mentor must complete a written review of each report ensuring that the
19 report complies with USPAP and the Board's statutes and rules. The Mentor's review
20 shall comply with the requirements of Standard 3 of the USPAP. The Mentor's Standard
21 3 review shall be completed before the report is issued to the client. Any changes the
22 Mentor requires to ensure the report complies with the USPAP shall be completed by the
23 Respondent and approved by the Mentor before the report is issued. The Mentor's written
24 Standard 3 review shall be maintained by the Mentor and **provided to the Board at the**
25 **end of the probationary period.**

1 30. The Mentor must be approved by the Board and is subject to removal by
2 the Board for nonperformance of the terms of this Consent Agreement. The Mentor shall
3 not have a business relationship with Respondent except for the Mentor/Mentee
4 relationship nor may the Mentor be related to Respondent. Any replacement Mentor is
5 subject to the Board's approval and the remaining terms of this Consent Agreement. The
6 Board's Executive Director may give temporary approval of the Mentor until the next
7 regular meeting of the Board.

8 31. Not more than **30 days** after the effective date of this Consent Agreement,
9 Respondent shall submit to the Board the name and resume of an Arizona Certified
10 Residential or Arizona Certified General Appraiser who is willing to serve as
11 Respondent's Mentor together with a letter from the potential Mentor agreeing to serve as
12 Respondent's Mentor. If requested by Board staff, Respondent shall continue to submit
13 names, resumes, and letters agreeing to serve as Mentor until a Mentor is approved by the
14 Board. Any Mentor must be approved in writing by the Board.

15 32. Respondent shall bear all costs and expenses associated with the
16 mentorship and incurred by attending the course(s).

17 33. The Mentor shall submit monthly reports to the Board for each calendar
18 month during Respondent's probationary period reflecting the quantity and quality of
19 Respondent's work, including, but not limited to, improvement in Respondent's practice
20 and resolution of those problems that prompted this action. The Mentor's report shall be
21 filed monthly beginning the 1st day of the first month following the start of Respondent's
22 probationary period and continuing each month thereafter until termination of the
23 probationary period by the Board. **Even if the Mentor reviews no appraisals during a
24 given month, a report stating that no appraisals were reviewed or approved must be
25 submitted. It is the Respondent's responsibility to ensure that the Mentor submits
26 his/her reports monthly.** If the monthly reporting date falls on a Saturday, Sunday, or

1 holiday, the report is due on the next business day. The monthly report may be filed by
2 regular mail, email or facsimile.

3 34. The Respondent shall file an appraisal log with the Board on a monthly
4 basis listing every Arizona appraisal that she has completed within the prior calendar
5 month by property address, appraisal type, valuation date, the Mentor's review date, the
6 date the appraisal was issued, and the number of hours worked on each assignment. The
7 report log shall be filed monthly beginning the 1st day of the first month following the
8 start of Respondent's probationary period and continuing each month thereafter until the
9 Board terminates the probation. If the log reporting date falls on a Saturday, Sunday, or
10 holiday, the report log is due on the next business day. **Even if Respondent performs**
11 **no appraisals within a given month, she must still file an appraisal log with the**
12 **Board showing that no appraisals were performed.** The monthly log report may be
13 filed by regular mail, email or facsimile.

14 35. The Board reserves the right to audit any of Respondent's reports and
15 conduct peer review, as deemed necessary, during the probationary period. The Board
16 may, in its discretion, seek separate disciplinary action against the Respondent for any
17 violation of the applicable statutes and rules discovered in an audit of the Respondent's
18 appraisal reports provided to the Board under the terms of this Consent Agreement.

19 36. Respondent's probation, including mentorship, shall continue until: (a)
20 Respondent petitions the Board for termination as provided in paragraph 15 and (b) the
21 Board terminates the probation and mentorship. **The mentorship shall continue until**
22 **such time Respondent requests in writing that the Board terminate her mentorship.**
23 Upon petition by the Respondent for termination of the probation and mentorship, the
24 Board will select and audit 3 of Respondent's appraisal reports.

25 37. At the end of **six (6) months** from the effective date of this Consent
26 Agreement, the Respondent may petition the Board for termination of her probation and

1 mentorship. If the Board determines that Respondent has not complied with **all** the
2 requirements of this Consent Agreement, the Board, at its sole discretion, may either: (a)
3 continue the probation, including mentorship; or (b) institute proceedings for
4 noncompliance with this Consent Agreement, which may result in suspension,
5 revocation, or other disciplinary and/or remedial action. If the Board determines
6 Respondent has complied with all the requirements of this Consent Agreement and has
7 no other pending disciplinary actions, the Respondent's mentorship and probation will be
8 terminated.

9 38. Respondent shall not act as a supervising appraiser for other appraisers or
10 trainees, nor shall she act as a mentor, during the term of the probation. Respondent shall
11 also not teach any course related to real estate appraisals during the term of the probation.

12 39. Respondent shall comply with the Uniform Standards of Professional
13 Appraisal Practice in performing all appraisals and all Board statutes and rules.

14 40. If, between the effective date of this Consent Agreement and the
15 termination of Respondent's probation by the Board, Respondent fails to renew her
16 certificate while under this Consent Agreement and subsequently applies for a license or
17 certificate, the remaining terms of this Consent Agreement, including probation and
18 mentorship, shall be imposed if the application for license or certificate is granted.

19 41. Respondent has read and understands this Consent Agreement as set forth
20 herein, and has had the opportunity to discuss this Consent Agreement with an attorney
21 or has waived the opportunity to discuss this Consent Agreement with an attorney.
22 Respondent voluntarily enters into this Consent Agreement for the purpose of avoiding
23 the expense and uncertainty of an administrative hearing.

24 42. Respondent understands that she has a right to a public administrative
25 hearing concerning each and every allegation set forth in the above-captioned matter, at
26 which administrative hearing she could present evidence and cross-examine witnesses.

1 By entering into this Consent Agreement, Respondent freely and voluntarily relinquishes
2 all rights to such an administrative hearing, as well as all rights of rehearing, review,
3 reconsideration, appeal, judicial review or any other administrative and/or judicial action,
4 concerning the matters set forth herein. Respondent affirmatively agrees that this Consent
5 Agreement shall be irrevocable.

6 43. Respondent understands that this Consent Agreement, or any part thereof,
7 may be considered in any future disciplinary action against her.

8 44. The parties agree that this Consent Agreement constitutes final resolution
9 of this disciplinary matter.

10 45. Time is of the essence with regard to this agreement.

11 46. If Respondent fails to comply with the terms of this Consent Agreement,
12 the Board shall properly institute proceedings for noncompliance with this Consent
13 Agreement, which may result in suspension, revocation, or other disciplinary and/or
14 remedial actions. Respondent agrees that any violation of this Consent Agreement is a
15 violation of A.R.S. § 32-3631(A)(8), which is willfully disregarding or violating any of
16 the provisions of the Board's statutes or the rules of the Board for the administration and
17 enforcement of its statutes.

18 47. Respondent understands that this Consent Agreement does not constitute a
19 dismissal or resolution of other matters currently pending before the Board, if any, and
20 does not constitute any waiver, express or implied, of the Board's statutory authority or
21 jurisdiction regard any other pending or future investigation, action or proceeding.
22 Respondent also understands that acceptance of this Consent Agreement does not
23 preclude any other agency, subdivision or officer of this state from instituting other civil
24 or criminal proceedings with respect to the conduct that is the subject of this Consent
25 Agreement.

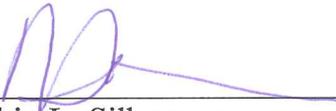
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1 48. Respondent understands that the foregoing Consent Agreement shall not
2 become effective unless and until adopted by the Board of Appraisal and executed on
3 behalf of the Board. Any modification to this original document is ineffective and void
4 unless mutually approved by the parties in writing.

5 49. Respondent understands that this Consent Agreement is a public record that
6 may be publicly disseminated as a formal action of the Board.

7 50. Pursuant to the Board's Substantive Policy Statement #1, the Board
8 considers the violations in the above-referenced matters to constitute to a **Level III**
9 **Violation.**

10 DATED this 6th day of February, 2015.

11 
12 _____
13 Robin L. Silberman
14 Respondent



Debra Rudd
Executive Director
Arizona Board of Appraisal

15 **ORIGINAL** of the foregoing filed
this 6th day of February, 2015 with:

16 Arizona Board of Appraisal
17 15 S. 15th Ave.
18 Suite 103A
19 Phoenix, Arizona 85007

20 **COPY** of the foregoing mailed regular
and certified mail # 7012305000207409651
this 6th day of February, 2015 to:

21 Robin L. Silberman
10068 E. San Salvador Drive
Scottsdale, AZ 85288

22 **COPY** of the foregoing sent or delivered
23 this 6th day of February, 2015 to:

24 Jeanne M. Galvin
Assistant Attorney General
25 1275 West Washington, CIV/LES
Phoenix, Arizona 85007

26 By: 

Kelly Lutajh