



ARIZONA BOARD OF APPRAISAL

15 S. 15th Ave., Suite 103A
Phoenix, Arizona 85007
(602) 542-1558 Fax (602) 542-1598
Email: info@azboa.gov
Website: www.boa.az.gov

December 16, 2014

Mr. James Clevenger
24645 N. 65th Ave.
Glendale, AZ 85310

Re: Board of Appraisal Case No. 3714

Dear Mr. Clevenger,

As you know, the Board received a complaint against you for the appraisal you performed on a single family residence located 21094 W. Park Meadows Drive, Buckeye, AZ with an effective date of June 4, 2014.

At its November 21, 2014, monthly meeting, the Board of Appraisal held an Informal Hearing in the above-referenced matter. 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. The Board also considered your verbal testimony during the Informal Hearing.

The Board concluded that you utilized 6 comparables that all have significantly smaller site areas and do not represent truly comparable properties. Specifically, the subject site is 8,049 SF, while the comparable sales have sites that range from 3,200 SF to 5,738 SF. The comparables have site areas that are so small it could impact the functional utility of the property. Your choice of comparables and associated analysis does not reflect recognized appraisal methodology. In addition, new home builder sales are not accurately reflected as C1 condition. Given the above, the appraisal results were not clearly and accurately reported and the appraisal does not contain sufficient information to enable the intended user to understand the report. Finally, the Board concluded that not only did you fail to disclose the fact that you utilized MLS photographs for the comparables, you cropped the photos in such a way as to conceal the fact that they were MLS photos.

The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice, the 2014-2015 Edition:

Standards Rule 1-1(a); Standards Rule 1-4(a); Standards Rule 2-1(a) and (b); Standards Rule 2-2(a)(viii) and Standard Ethics Rule—Conduct.

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 if you complete a **fifteen (15) hour USPAP course (with an exam)**. In addition, you are required to complete either a **seven (7) hour course in New Construction** or a **seven (7) hour course in the Sales Comparison Approach**. 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. 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

Mr. James Clevenger

December 16, 2014

Page 3

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 **January 7, 2015**. 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

ACKNOWLEDGED AND AGREED


James Clevenger, Respondent

1/5/15
Date

c: Jeanne M. Galvin, Assistant Attorney General