



ARIZONA BOARD OF APPRAISAL

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May 3, 2011

Mr. Hans C. Dannenberg
3317 S. Higley Road
Ste. 114-268
Gilbert, AZ 85297

Re: Board of Appraisal Case No. 3223

Dear Mr. Dannenberg:

As you know, the Board received complaint against you regarding an appraisal you performed on a single family residence located at 1524 N. 106th St., Mesa, AZ 85207 with an effective date of value of November 9, 2010.

At its March 16, 2011 meeting, the Board considered the matter and voted to offer you the opportunity to resolve this issue with a Letter of Due Diligence.

In addressing this matter, the Board reviewed the complaint, your response thereto, the appraisal, and the supporting workfile. The Board concluded that you noted that the sell was to repair the drywall yet the report is "as is." In addition, the subject was older (37 years) while most of your comparable sales were newer but no adjustments for age were made. Similarly, you noted the subject's effective age as 10-15 years but the subject was noted as being in average condition and no mention of remodeling was made, thus, your designation of an effective age of 10-15 years is not credible and is misleading. In addition, in the Cost Approach, you did not account for the subject's 1,200 square foot garage. Comparable no. 3 was noted as being in "average" condition but the home had no kitchen appliances. Finally, the seller concessions were not discussed and you referenced the 1999 USPAP for a 2010 appraisal.

The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice (USPAP), 2010-2011 edition:

Standards Rule 1-1(a) and (c); Standards Rule 1-4(b); and Standards Rule 2-1(a)

Pursuant to Arizona Administrative Code (AAC) R4-46-31 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

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(A.R.S.) §32-3632(B) and A.A.C. R4-46-301(C), the Board is willing to resolve this matter with this letter of due diligence, if you **successfully complete a seven (7) hour course in Basic Appraisal. The coursework must be completed within three (3) months from the date of this letter as shown at the top of the first page. The required coursework may be completed through distance education.** A list of approved remedial and disciplinary education courses is on the Board's website for your convenience in locating the appropriate course. The education **may not be used toward your continuing education requirements for renewal during your next licensing period.** Proof of successful completion of the required course must be promptly submitted to the Board within **fourteen (14) days** of taking 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 1400 W. Washington, Suite 360, Phoenix, Arizona 85007, on or before **June 3, 2011**. If you do not return this original document on or before the specified date, the Board may conduct further proceedings.

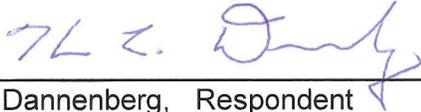
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Sincerely,



Dan Pietropaulo
Executive Director

ACKNOWLEDGED AND AGREED



Hans C. Dannenberg, Respondent

5-20-11

Date

c: Jeanne M. Galvin, Assistant Attorney General

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