



ARIZONA BOARD OF APPRAISAL

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ARIZONA BOARD OF APPRAISAL

March 8, 2012

Ms. Julie E. Kearns
P.O. Box 5594
Yuma, AZ 85366

Re: Board of Appraisal Case No. 3134

Dear Ms. Kearns,

As you know, the Board received the above-referenced complaint against you for an appraisal you conducted and report written of a single family residence located at 3036 South Arizona Avenue, Yuma, AZ 85364 with an effective date of value of April 17, 2009.

The Board held an Informal Hearing on January 27, 2012 and in considering this matter, the Board reviewed the complaint, your reply thereto, the appraisal, the workfile and the investigative report. At the conclusion of the Informal Hearing, the Board voted to offer you the opportunity to resolve this matter with a Letter of Due Diligence.

The Board concluded that your workfile did not include the data, information and analysis necessary to support the data in the report. Further, with respect to the scope of work, the assignment conditions cannot preclude research and analysis of the past data to develop and report those locational, quality, quantity and condition items to support the adjustment process. Prior sales with location, remodeling, etc, attributes in contrast and comparison to prior sales without these attributes is a scope of work, method, and techniques for measurement and support. There were violations for your failure to employ these recognized methods and techniques in support of the significant adjustment process. One additional condition of the assignment that you failed to complete was to describe the location, physical and economic attributes of the subject. With respect to the Cost Approach, the Board concluded that the site value was not supported and the in-file cost data and analysis was lacking. There was also no support for the conclusion of market extracted physical depreciation and extraction of external or economic obsolescence. Overall, the report was misleading and lacked credibility.

The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice (USPAP), 2008-2009 edition:

Standards Rule 1-1 (a); Standards Rule 1-2(e)(i); Standards Rule 1-4(b)(i), (ii) and (iii); Standards Rule 2-2(b)(iii) and (viii); Standard Ethics Rule---Recordkeeping; and Scope of Work---Acceptability

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 (A.R.S.) §32-3632(B) and A.A.C. R4-46-301(C), the Board is willing to resolve these matters with this letter of due diligence, if you **successfully complete a seven (7) course in Scope of Work; a seven (7) hour course in Report Writing; and the seven (7) hour 2012-2013 USPAP update course. The education 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. The education may not be used toward your continuing education requirements for renewal during your next licensing period except that the 2012-2013 USPAP update course may be used for continuing education renewal purposes. Please recall that the USPAP update course may not be taken through distance education. 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.

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Washington, Suite 360, Phoenix, Arizona 85007, on or before **April 7, 2012**. If you do not return this original document on or before the specified date, the Board may conduct further proceedings.

Sincerely,



Dan Pietropaulo
Executive Director

ACKNOWLEDGED AND AGREED



Julie E. Kearns, Respondent

Date

3.14.12

c: Jeanne M. Galvin, Assistant Attorney General

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