



## ARIZONA BOARD OF APPRAISAL

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ARIZONA BOARD OF APPRAISAL

March 14, 2011

Mr. Ronald K. Kimura  
1836 E. Butler Dr.  
Phoenix, AZ 85021

Re: Board of Appraisal Case No. 3205

Dear Mr. Kimura:

As you know, the Board received complaint against you regarding an appraisal you performed on a single family residence located at 1833 Palmcroft Drive NE, Phoenix, AZ 85007 with an effective date of value of June 18, 2010.

At its February 18, 2011 meeting, the Board again considered the matter and voted to offer you the opportunity to resolve these issues 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 some of your statements regarding the condition of the home could be misleading. There were several items in need of repair but you stated that "there were not any signs of needed repairs." For instance, there was exposed wiring, the windows sills and doors were cracked, the foundation was cracked in places but you labeled these issues as "cosmetic" in nature. Your classification of these repairs as "cosmetic" is misleading. In addition, there was a large hole in the laundry room that you failed to detect and did not disclose. Moreover, there were additional sales available that should have been considered. Finally, in the Cost Approach, the cost should have been "reproduced" and not "replacement" given the home's historical classification.

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

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 this

matter with this letter of due diligence, if you **successfully complete a seven (7) hour Complex Property course and the seven (7) hour 2010-2011 USPAP Update 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 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 except that the USPAP Update course may be counted toward your continuing education requirements.** 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 **April 13, 2011**. 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

  
\_\_\_\_\_  
Ronald Kimura, Respondent

  
\_\_\_\_\_  
Date

c: Jeanne M. Galvin, Assistant Attorney General