

1 **BEFORE THE ARIZONA STATE BOARD OF APPRAISAL**

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ARIZONA BOARD OF APPRAISAL

2  
3 In the Matter of :

Case No. 2354

4 **MICHAEL G. KUMMER**  
5 Certified Residential Appraiser  
6 Certificate No. 21202

**CONSENT AGREEMENT AND ORDER  
OF DISCIPLINE**

7 On July 19, 2007, the Arizona Board of Appraisal ("Board") discussed Case No.  
8 2354 regarding Michael G. Kummer ("Respondent"). After reviewing the information  
9 presented, the Board voted to offer Respondent the opportunity to enter into this Consent  
10 Agreement and Order of Discipline ("Consent Agreement").

11 **JURISDICTION**

12 1. The Arizona State Board of Appraisal ("Board") is the state agency  
13 authorized pursuant to A.R.S. § 32-3601 *et seq.*, and the rules promulgated thereunder,  
14 found in the Arizona Administrative Code ("A.A.C." or "rules") at R4-46-101 *et seq.*, to  
15 regulate and control the licensing and certification of real property appraisers in the State  
16 of Arizona.

17 2. Respondent is a Certified Residential Appraiser in the State of Arizona,  
18 holder of Certificate No. 21202, issued on March 21, 2005, pursuant to A.R.S. § 32-3612.

19 **FINDINGS OF FACT**

20 1. This case involves the appraisal of property located at 20027 E. Mews  
21 Road, Queen Creek, Arizona, with a date of value of February 1, 2007.

22 2. The Board received a complaint on or about February 15, 2007. The  
23 complaint alleged that the report prepared by Respondent contained numerous errors and  
24 omissions.

25 3. The Board's investigation revealed the following deficiencies with the  
26 report prepared by Respondent:

1           a.       Other comparable sales data provided under Item (h) in the report, if  
2 adjusted in an expected manner, would logically indicate a significantly different  
3 opinion of value for the subject property than reported by Respondent;

4           b.       The adjustment for differences in site size is not supported in the  
5 report. The improvement size variance for Comparable Sales #1 and #2 were  
6 made at varying figures. All three comparable sales are reasoned to possess  
7 greater curb appeal and quality than the subject property. Comparable Sales #1  
8 and #3 did not have fireplaces, therefore should have received adjustments. The  
9 downward condition adjustments made to Comparable Sales #1 and #3 of \$20,000  
10 and \$40,000 respectively, require some form of explanation by the Respondent;

11          c.       Respondent did not give adequate and appropriate consideration to  
12 the listing history of the subject property. Respondent is reasoned to have  
13 inadequately considered and reported value trends and supply/demand of housing  
14 in the subject market area;

15          d.       The Respondent stated that the subject zoning is R-3, Single Family  
16 Residential, however, the correct zoning is Rural-43 (1 ac/du), Single Family  
17 Residential, Maricopa County;

18          e.       The Respondent did not include a correct Assessor's Parcel Number  
19 for the subject property. The report shows the subject having a four stall garage  
20 on the first page of the report, and a three stall garage on the grid and sketch  
21 pages. The Respondent incorrectly states the subject property has sewer and gas  
22 service. The report incorrectly states the subject has an asphalt street;

23          f.       The report does not include an estimate of exposure time. Other  
24 comparable data, more similar in comparison to the subject, would indicate a  
25 different indication of market value for the subject property;

26



1 **ORDER**

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

4 1. Beginning on the effective date of this Consent Agreement, Respondent's  
5 License No. 21202 shall be placed on probation for a minimum of six (6) months.  
6 During the term of probation, Respondent shall: (a) demonstrate resolution of the  
7 problems that resulted in this disciplinary action; and (b) otherwise comply with the  
8 terms of this Consent Agreement.

9 2. Respondent shall successfully complete the following education within 6  
10 months of the effective date of this Consent Agreement: a. a fifteen (15) hour USPAP  
11 course (with exam); b. thirty (30) hours of coursework in a principles and procedures  
12 class.

13 3. **No more than fifteen (15) hours of the education required under**  
14 **paragraph 2 may be counted toward the continuing education requirements for the**  
15 **renewal of Respondent's certificate.** The same classes may not be repeated to fulfill  
16 the education requirements in paragraph 2.

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

22 5. Respondent's probation shall continue until: (a) Respondent petitions the  
23 Board for termination as provided in paragraph 7, and (b) the Board terminates the  
24 probation.

25 6. At the end of six (6) months from the effective date of this Consent  
26 Agreement, the Respondent must petition the Board for termination of his probation. If

1 the Board determines that Respondent has not complied with all the requirements of this  
2 Consent Agreement, the Board, at its sole discretion, may either: (a) continue the  
3 probation, including mentorship; or (b) institute proceedings for noncompliance with this  
4 Consent Agreement, which may result in suspension, revocation, or other disciplinary  
5 and/or remedial action.

6 7. Respondent shall not act as a supervising appraiser for other appraisers or  
7 trainees, nor shall he act as a mentor, during the term of the probation. Respondent shall  
8 also not teach any course related to real estate appraisals during the term of the probation.

9 8. Respondent shall comply with the Uniform Standards of Professional  
10 Appraisal Practice in performing all appraisals.

11 9. If, between the effective date of this Consent Agreement and the  
12 termination of Respondent's probation by the Board, Respondent fails to renew his  
13 license while under this Consent Agreement and subsequently applies for a license or  
14 certificate, the remaining terms of this Consent Agreement, including probation, shall be  
15 imposed if the application for license or certificate is granted.

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

21 11. Respondent understands that he has a right to a public administrative  
22 hearing concerning each and every allegation set forth in the above-captioned matter, at  
23 which administrative hearing he could present evidence and cross-examine witnesses. By  
24 entering into this Consent Agreement, Respondent freely and voluntarily relinquishes all  
25 rights to such an administrative hearing, as well as all rights of rehearing, review,  
26 reconsideration, appeal, judicial review or any other administrative and/or judicial action,

1 concerning the matters set forth herein. Respondent affirmatively agrees that this  
2 Consent Agreement shall be irrevocable.

3 12. Respondent understands that this Consent Agreement, or any part thereof,  
4 may be considered in any future disciplinary action against him.

5 13. The parties agree that this Consent Agreement constitutes final resolution  
6 of this disciplinary matter.

7 14. Time is of the essence with regard to this agreement.

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

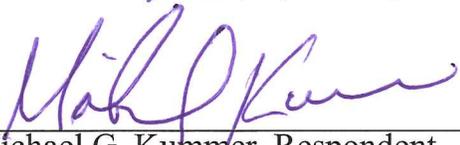
15 16. Respondent understands that this Consent Agreement does not constitute a  
16 dismissal or resolution of other matters currently pending before the Board, if any, and  
17 does not constitute any waiver, express or implied, of the Board's statutory authority or  
18 jurisdiction regard any other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

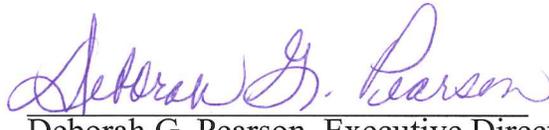
23 17. Respondent understands that the foregoing Consent Agreement shall not  
24 become effective unless and until adopted by the Board of Appraisal and executed on  
25 behalf of the Board. Any modification to this original document is ineffective and void  
26 unless mutually approved by the parties in writing.

1 18. Respondent understands that this Consent Agreement is a public record that  
2 may be publicly disseminated as a formal action of the Board.

3 19. Pursuant to the Board's Substantive Policy Statement #1, the Board  
4 considers this violation to amount to a Level III Violation.

5 DATED this <sup>10<sup>th</sup></sup> ~~31<sup>st</sup>~~ <sup>September</sup> day of August, 2007.

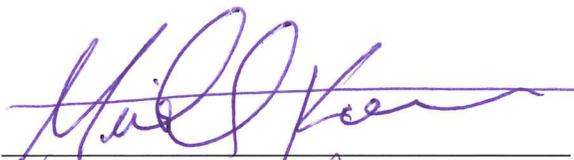
6   
7 \_\_\_\_\_  
8 Michael G. Kummer, Respondent

  
\_\_\_\_\_  
Deborah G. Pearson, Executive Director  
Arizona Board of Appraisal

9  
10 **ORIGINAL** of the foregoing filed  
11 this <sup>10<sup>th</sup></sup> ~~31<sup>st</sup>~~ <sup>September</sup> day of August, 2007 with:  
12 Arizona Board of Appraisal  
13 1400 West Washington Street, Suite 360  
14 Phoenix, Arizona 85007

15 **COPY** of the foregoing mailed regular and U.S.  
16 Certified Mail # 7006 0100 0002 8655 4667  
17 this ~~31<sup>st</sup>~~ day of August, 2007 to:

18 Michael G. Kummer  
19 8523 E. Lindner Ave.  
20 Mesa, Arizona 85209  
21 Respondent

22  
23 By:   
\_\_\_\_\_  


24 41282