

1 6. The appraisal request indicated a purchase transaction with a sales price of
2 \$410,000. It also indicated a copy of the contract was to be forwarded to the appraiser.

3 7. There is no copy of the contract in the workfile. There is no further
4 reference to the contract in the workfile.

5 8. Respondent's appraisal report states "No unusual terms or conditions noted
6 in the contract." This statement is not supported by evidence in the workfile. The only
7 contract information in the workfile is the "sales price/estimated value" indicated on the
8 appraisal request.

9 9. The subject property's prior sales were disclosed in the report but they were
10 not analyzed.

11 10. The Respondent's statement in the report that the subject property had "No
12 listing in the last year reported" is false and misleading. The subject had been listed twice
13 in the 12 months prior to the effective date of the report.

14 11. The subject property had been listed twice in the previous twelve months,
15 with longer than typical market exposure periods, at list prices much lower than the
16 opinion of value expressed in the appraisal report. This listing history should have been
17 considered when developing the opinion of value, and it should have been addressed in
18 the report. The listing history was not considered.

19 12. There is no market analysis in the workfile from the time of the appraisal
20 report. The only market analysis submitted was generated in 2008 in response to the
21 complaint. That retrospective analysis was limited to properties selling between \$325,000
22 and \$500,000.

1 13. Respondent engaged in biased research for comparable sales. Five
2 potentially comparable sales that were generated at the time of the appraisal were
3 contained in the workfile. Four of these sales were identified based on search criteria
4 using a minimum sale price of \$350,000. This \$350,000 was higher than the subject's
5 previous sale price, which occurred less than seven months earlier.
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7 14. The fifth potentially comparable sale in the workfile was generated from a
8 search for sales on the subject's street. This was a one story house of similar gross living
9 area, in superior condition (new versus a few years old), with a rear patio wall (the
10 subject had no fence or wall at the time). Like the subject, it backed to a natural drainage
11 area. This comparable was not used in the report.
12

13 15. The appraisal report states that "all sales are one-story homes of generally
14 similar age, GLA size, and proximity. There were no similar two-story homes available
15 in the immediate area." This statement is misleading. There were at least three sales of
16 houses with two or more stories in the subject subdivision in the previous year. One of
17 those sales was located on the subject property's cul-de-sac.
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19 16. The Respondent does not explain why there were no time/market condition
20 adjustments when the market was increasing and, as the report states, "homes in the
21 neighborhood have appreciated almost 20% in the past year." Respondent does not
22 explain why, if properties were appreciating almost 20% in the past year, a house that had
23 sold a few months before at \$336,000 was now selling for \$410,000—approximately a
24 22% increase in less than seven months, or roughly 37% a year.
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1 written appraisal, appraisal review or consulting assignment involving real property in the
2 State of Arizona. The effective date of this Consent Agreement is that date that the
3 Consent Agreement is signed by the Board President or by the Board's Executive
4 Director on behalf of the Board.

5 2. If, between the effective date of this Consent Agreement and the cessation
6 of Respondent's period of suspension, Respondent fails to renew his license while under
7 this Consent Agreement and subsequently applies for a license or certificate, the
8 remaining terms of this Consent Agreement, including any remaining period of
9 suspension, shall be imposed if the application for licensure or certification is granted.

10 3. Respondent has read and understands this Consent Agreement as set forth
11 herein, and has had the opportunity to discuss this Consent Agreement with an attorney
12 or has waived the opportunity to discuss this Consent Agreement with an attorney.
13 Respondent voluntarily enters into this Consent Agreement for the purpose of avoiding
14 the expense and uncertainty of an administrative hearing.

15 4. Respondent understands that he has a right to a public administrative
16 hearing concerning each and every allegation set forth in the above-captioned matter, at
17 which administrative hearing he could present evidence and cross-examine witnesses. By
18 entering into this Consent Agreement, Respondent freely and voluntarily relinquishes all
19 rights to such an administrative hearing, as well as all rights of rehearing, review,
20 reconsideration, appeal, judicial review or any other administrative and/or judicial action,
21 concerning the matters set forth herein. Respondent affirmatively agrees that this
22 Consent Agreement shall be irrevocable.

23 5. Respondent understands that this Consent Agreement, or any part thereof,
24 may be considered in any future disciplinary action against him.

25 6. The parties agree that this Consent Agreement constitutes final resolution
26 of this disciplinary matter.

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

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

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

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

21 11. Respondent understands that this Consent Agreement is a public record that
22 may be publicly disseminated as a formal action of the Board.

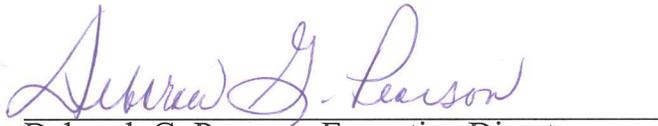
23 12. Pursuant to the Board's Substantive Policy Statement #1, the Board
24 considers the violations in the above-referenced matter to constitute to a **Level V**
25 **Violation.**

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DATED this 30th day of JUNE, 2009.


John T. Martell
Respondent


Deborah G. Pearson, Executive Director
Arizona Board of Appraisal

ORIGINAL of the foregoing filed
this 30th day of June, 2009 with:

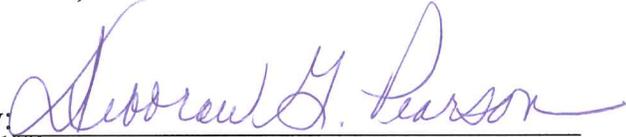
Arizona Board of Appraisal
1400 W. Washington Street, Suite 360
Phoenix, AZ 85007

COPY of the foregoing mailed regular mail *and certified mail 7008 1140 0004 9529 4804*
this 30th day
of June, 2009 to:

John T. Martell
6758 N. Corte Calabaza
Tucson, AZ 85704

COPY of the foregoing sent or delivered
this 30th day of June, 2009 to:

Jeanne M. Galvin
Assistant Attorney General
Arizona Attorney General's Office
1275 W. Washington, CIV/LES
Phoenix, AZ 85007

By: 
#321981