





1 FINDINGS OF FACT

2 Case No. 2385

3 On or about October 8, 2007, the Board's investigation revealed the following:

4 1. This matter deals with an appraisal conducted and report written by  
5 Respondent of a single family condominium residence located at 4404 East Riverside  
6 Street, Phoenix, AZ 85040-2061 with a date of value of December 29, 2006.

7 2. Other comparable sales data would possibly suggest a differing opinion of  
8 value for the subject property.

9 3. The appraisal report does not include an estimate of exposure time for the  
10 subject property. When the purpose of an assignment is to develop an opinion of market  
11 value, the Respondent must also develop an opinion of reasonable exposure time linked  
12 to the value of opinion.

13 4. It is reasonable to expect the Respondent should consider and analyze other  
14 sales from the immediate subdivision. Other comparable data would be considered highly  
15 comparable data for comparison to the subject property. These additional sales would  
16 conceivably indicate a different value for the subject property.

17 5. The Respondent states on the first page of the appraisal report that the  
18 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
19 prior to the date of appraisal. This contrasts with the statements on Pages #1 and #3 of the  
20 appraisal report that state the subject is selling for \$117,200.

21 6. The Respondent did not analyze the previous sale of the subject property  
22 that occurred within three years of the date of appraisal. As a result of the significant  
23 difference in price between the prior sale and the more recent sale, it would be  
24 particularly important to analyze the circumstances surrounding this sale, not just recite  
25 the sale. An intended user/client would clearly wonder about the circumstances  
26 surrounding a sale that closed December 13, 2004, for \$3,864,000 or \$42,000 per unit.



1 linked to the value of opinion.

2 15. It is reasonable to expect the Respondent should consider and analyze other  
3 sales from the immediate subdivision. Other comparable data would be considered highly  
4 comparable data for comparison to the subject property. These additional sales would  
5 conceivably indicate a different value for the subject property.

6 16. The Respondent states on the first page of the appraisal report that the  
7 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
8 prior to the date of appraisal. This contrasts with the statements on Pages #1 and #3 of the  
9 appraisal report that state the subject is selling for \$117,200.

10 17. The Respondent did not analyze the previous sale of the subject property  
11 that occurred within three years of the date of appraisal. As a result of the significant  
12 difference in price between the prior sale and the more recent sale, it would be  
13 particularly important to analyze the circumstances surrounding this sale, not just recite  
14 the sale. An intended user/client would clearly wonder about the circumstances  
15 surrounding a sale that closed February 2, 2004, for \$2,623,000 or \$43,000 per unit.

16 18. The Respondent does not, as the report is written, reconcile sufficient data  
17 and properly analyze the data in the Sales Comparison Approach to value. The  
18 Respondent fails to present and analyze available comparable sales data in a manner that  
19 leads the reader to accept the Respondent's opinion of value for the subject property.

20 19. The Respondent states that the market value opinion is a fee simple estate,  
21 however, it is noted that at the time of appraisal, the subject property was under lease  
22 until June of 2007. This would result in a leased fee estate.

23 20. The Respondent does not, as the report is written, reconcile sufficient data  
24 and properly analyze available comparable data in the Sales Comparison Approach to  
25 value. The appraisal, as written and using the comparable sales included in the appraisal  
26

1 report, however, omitting other seemingly relevant data, is not reasoned to support the  
2 market value opinion provided by the Respondent.

3 21. Communicating the appraisal report, as written, is misleading.

4 22. By omitting any discussion in the report regarding other comparable sales  
5 from the subject subdivision would lead a knowledgeable reader to believe the  
6 Respondent was aiming for a conclusion of value.

7 **Case No. 2387**

8 On or about October 8, 2007, the Board's investigation revealed the following:

9 23. This matter deals with an appraisal conducted and report written by  
10 Respondent of a single family condominium residence located at 4213 South 47<sup>th</sup> Place,  
11 Phoenix, AZ 85040-2074 with a date of value of December 29, 2006.

12 24. Other comparable sales data would possibly suggest a differing opinion of  
13 value for the subject property.

14 25. The appraisal report does not include an estimate of exposure time for the  
15 subject property. When the purpose of an assignment is to develop an opinion of market  
16 value, the Respondent must also develop an opinion of reasonable exposure time linked  
17 to the value of opinion.

18 26. It is reasonable to expect the Respondent should consider and analyze other  
19 sales from the immediate subdivision. Other comparable data would be considered highly  
20 comparable data for comparison to the subject property. These additional sales would  
21 conceivably indicate a different value for the subject property.

22 27. The Respondent states on the first page of the appraisal report that the  
23 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
24 prior to the date of appraisal. This contrasts with other comments in the appraisal report,  
25 including Page #1 and the statement on Page #3 of the appraisal report that states the  
26 subject is selling for \$117,200. It is also in contrast to information in MLS.



1           36. The appraisal report does not include an estimate of exposure time for the  
2 subject property. When the purpose of an assignment is to develop an opinion of market  
3 value, the Respondent must also develop an opinion of reasonable exposure time linked  
4 to the value of opinion.

5           37. It is reasonable to expect the Respondent should consider and analyze other  
6 sales from the immediate subdivision. Other comparable data would be considered highly  
7 comparable data for comparison to the subject property. These additional sales would  
8 conceivably indicate a different value for the subject property.

9           38. The Respondent states on the first page of the appraisal report that the  
10 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
11 prior to the date of appraisal. This contrasts with the statements on Pages #1 and #3 of the  
12 appraisal report that state the subject is selling for \$117,200.

13           39. The Respondent did not report the previous sale of the subject property that  
14 occurred within three years of the date of appraisal. As a result of the significant  
15 difference in price between the prior sale and the more recent sale, it would be  
16 particularly important to analyze the circumstances surrounding this sale, not just recite  
17 the sale. An intended user/client would clearly wonder about the circumstances  
18 surrounding a sale that closed February 2, 2004, for \$2,623,000 or \$43,000 per unit.

19           40. The Respondent does not, as the report is written, reconcile sufficient data  
20 and properly analyze the data in the Sales Comparison Approach to value. The  
21 Respondent fails to present and analyze available comparable sales data in a manner that  
22 leads the reader to accept the Respondent's opinion of value for the subject property.

23           41. The Respondent does not, as the report is written, reconcile sufficient data  
24 and properly analyze available comparable data in the Sales Comparison Approach to  
25 value. The appraisal, as written and using the comparable sales included in the appraisal  
26

1 report, however, omitting other seemingly relevant data, is not reasoned to support the  
2 market value opinion provided by the Respondent.

3 42. Communicating the appraisal report, as written, is misleading.

4 43. By omitting any discussion in the report regarding other comparable sales  
5 from the subject subdivision would lead a knowledgeable reader to believe the  
6 Respondent was aiming for a conclusion of value.

7 **Case No. 2389**

8 On or about October 8, 2007, the Board's investigation revealed the following:

9 44. This matter involves an appraisal conducted and report written by  
10 Respondent of a single family condominium residence located at 4478 East Pueblo  
11 Avenue, Phoenix, AZ 85040-9227 with a date of value of December 29, 2006.

12 45. Other comparable sales data would possibly suggest a differing opinion of  
13 value for the subject property.

14 46. The appraisal report does not include an estimate of exposure time for the  
15 subject property. When the purpose of an assignment is to develop an opinion of market  
16 value, the Respondent must also develop an opinion of reasonable exposure time linked  
17 to the value of opinion.

18 47. It is reasonable to expect the Respondent should consider and analyze other  
19 sales from the immediate subdivision. Other comparable data would be considered highly  
20 comparable data for comparison to the subject property. These additional sales would  
21 conceivably indicate a different value for the subject property.

22 48. The Respondent states on the first page of the appraisal report that the  
23 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
24 prior to the date of appraisal. This contrasts with the statements on Pages #1 and #3 of the  
25 appraisal report that state the subject is selling for \$120,000.

26 49. The Respondent recites the previous sale of the subject property that

1 occurred as part of a bulk sale, however, he did not analyze the sale. An intended  
2 user/client would clearly wonder about the circumstances surrounding a sale that closed  
3 July 9, 2004, for \$1,092,000 or \$42,000 per unit.

4 50. The Respondent does not, as the report is written, reconcile sufficient data  
5 and properly analyze the data in the Sales Comparison Approach to value. The  
6 Respondent fails to present and analyze available comparable sales data in a manner that  
7 leads the reader to accept the Respondent's opinion of value for the subject property.

8 51. The Respondent states that the interest being appraised is fee simple,  
9 however, at the time of the appraisal the subject was under lease until August 31, 2007,  
10 resulting in a leased fee estate.

11 52. The Respondent does not, as the report is written, reconcile sufficient data  
12 and properly analyze available comparable data in the Sales Comparison Approach to  
13 value. The appraisal, as written and using the comparable sales included in the appraisal  
14 report, however, omitting other seemingly relevant data, is not reasoned to support the  
15 market value opinion provided by the Respondent.

16 53. Communicating the appraisal report, as written, is misleading.

17 54. By omitting any discussion in the report regarding other comparable sales  
18 (not sold by the owner of the subject unit) from the subject subdivision would lead a  
19 knowledgeable reader to believe the Respondent was aiming for a conclusion of value.

20 **Case No. 2390**

21 On or about October 8, 2007, the Board's investigation revealed the following:

22 55. This matter involves an appraisal conducted and a report written by  
23 Respondent of a single family condominium residence located at 4617 East Jones  
24 Avenue, Phoenix, AZ 85040-2027 with a date of value of December 29, 2006.

25 56. Other comparable sales data would possibly suggest a differing opinion of  
26 value for the subject property.

1           57. The appraisal report does not include an estimate of exposure time for the  
2 subject property. When the purpose of an assignment is to develop an opinion of market  
3 value, the Respondent must also develop an opinion of reasonable exposure time linked  
4 to the value of opinion.

5           58. It is reasonable to expect the Respondent should consider and analyze other  
6 sales from the immediate subdivision. Other comparable data would be considered highly  
7 comparable data for comparison to the subject property. These additional sales would  
8 conceivably indicate a different value for the subject property.

9           59. The Respondent states on the first page of the appraisal report that the  
10 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
11 prior to the date of appraisal. This contrasts with other comments in the appraisal report,  
12 including Page #1 and the statement on Page #3 of the appraisal report that states the  
13 subject is selling for \$117,200. It is also in contrast to information in MLS.

14           60. The Respondent recites two of the previous sales of the subject property  
15 that occurred, however, he did not analyze the sales. An intended user/client would  
16 clearly wonder about the circumstances surrounding a sale of the property that closed  
17 September 16, 2005, for \$60,579.

18           61. The Respondent does not, as the report is written, reconcile sufficient data  
19 and properly analyze the data in the Sales Comparison Approach to value. The  
20 Respondent fails to present and analyze available comparable sales data in a manner that  
21 leads the reader to accept the Respondent's opinion of value for the subject property.

22           62. The Respondent appraised the fee simple interest, however, the subject, at  
23 the date of the appraisal was under lease until August 31, 2007. Therefore, the interest  
24 appraised is the leased fee estate.

25           63. The Respondent does not, as the report is written, reconcile sufficient data  
26 and properly analyze available comparable data in the Sales Comparison Approach to

1 value. The appraisal, as written and using the comparable sales included in the appraisal  
2 report, however, omitting other seemingly relevant data, is not reasoned to support the  
3 market value opinion provided by the Respondent.

4 64. Communicating the appraisal report, as written, is misleading.

5 65. By omitting any discussion in the report regarding other comparable sales  
6 from the subject subdivision would lead a knowledgeable reader to believe the  
7 Respondent was aiming for a conclusion of value.

8 **Case No. 2391**

9 On or about October 8, 2007, the Board's investigation revealed the following:

10 66. This matter involves an appraisal conducted and report written by  
11 Respondent of a single family condominium residence located at 4620 East Southgate  
12 Avenue, Phoenix, AZ 85040-2037 with a date of value of December 29, 2006.

13 67. Other comparable sales data would possibly suggest a differing opinion of  
14 value for the subject property.

15 68. The appraisal report does not include an estimate of exposure time for the  
16 subject property. When the purpose of an assignment is to develop an opinion of market  
17 value, the Respondent must also develop an opinion of reasonable exposure time linked  
18 to the value of opinion.

19 69. It is reasonable to expect the Respondent should consider and analyze other  
20 sales from the immediate subdivision. Other comparable data would be considered highly  
21 comparable data for comparison to the subject property. These additional sales would  
22 conceivably indicate a different value for the subject property.

23 70. The Respondent states on the first page of the appraisal report that the  
24 subject is not currently offered for sale, nor had it been offered for sale in the 12 months  
25 prior to the date of appraisal. This contrasts with the statements on Pages #1 and #3 of the  
26 appraisal report that states the subject is selling for \$109,000.





1 submitting a written request to the Board at least thirty (30) days prior to the  
2 expiration of the six months.

3 Proof of completion of the required education must be submitted to the Board  
4 within 3 weeks of completion of the required courses.

5 4. During the term of probation, Respondent shall: (a) demonstrate  
6 resolution of the problems that resulted in this disciplinary action; and (b) otherwise  
7 comply with the terms of this Consent Agreement.

8 5. During the period of probation, Respondent shall complete a minimum  
9 of **twenty-four (24) appraisal reports** under the supervision of an Arizona Certified  
10 Residential or Certified General Appraiser who shall serve as Respondent's mentor  
11 ("Mentor"). The Mentor shall be either an Arizona Certified Residential or General  
12 Appraiser.

13 6. **During the probationary period, the Respondent shall not issue a**  
14 **verbal or written appraisal, appraisal review, or consulting assignment without**  
15 **prior review and approval by a Mentor.** Each report shall be signed by the Mentor  
16 as a supervisory appraiser. After six (6) months, the requirement of pre-approval of  
17 appraisals by a mentor may be terminated upon approval by the Board if Respondent  
18 has complied with the conditions set out in this Order.

19 7. The Mentor shall be approved by the Board and is subject to removal by  
20 the Board for nonperformance of the terms of this Consent Agreement. The Mentor  
21 shall not have a business relationship with Respondent except for the Mentor/Mentee  
22 relationship nor may the Mentor be related to Respondent. Any replacement Mentor  
23 is subject to the Board's approval and the remaining terms of this Consent Agreement.  
24 The Board's Executive Director may give temporary approval of the Mentor until the  
25 next regular meeting of the Board.

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1           8.       Not more than **120 days** after the effective date of this Consent  
2 Agreement, Respondent shall submit to the Board the name and resume of an Arizona  
3 Certified Residential or Arizona Certified General Appraiser who is willing to serve as  
4 Respondent's Mentor together with a letter from the potential Mentor agreeing to  
5 serve as Respondent's Mentor. If requested by Board staff, Respondent shall continue  
6 to submit names, resumes, and letters agreeing to serve as Mentor until a Mentor is  
7 approved by the Board. Any Mentor must be approved in writing by the Board.

8           9.       Respondent shall bear all costs and expenses associated with the  
9 mentorship and incurred by obtaining the required education.

10          10.      The Mentor shall submit monthly reports to the Board for each calendar  
11 month during Respondent's probationary period reflecting the quantity and quality of  
12 Respondent's work, including, but not limited to, improvement in Respondent's  
13 practice and resolution of those problems that prompted this action. The Mentor's  
14 report shall be filed monthly beginning the 15<sup>th</sup> day of the first month following the  
15 start of Respondent's probationary period and continuing each month thereafter until  
16 termination of the probationary period by the Board. **Even if the Mentor reviews no**  
17 **appraisals during a given month, a report stating that no appraisals were**  
18 **reviewed or approved must be submitted. It is the Respondent's responsibility to**  
19 **ensure that the Mentor submits his/her reports monthly.** If the monthly reporting date  
20 falls on a Saturday, Sunday, or holiday, the report is due on the next business day.  
21 The monthly report may be filed by mail or facsimile.

22          11.      The Respondent shall file an appraisal log with the Board on a monthly  
23 basis listing every Arizona appraisal that he has completed within the prior calendar  
24 month by property address, appraisal type, valuation date, the Mentor's review date,  
25 the date the appraisal was issued, and the number of hours worked on each  
26 assignment. The report log shall be filed monthly beginning the 15<sup>th</sup> day of the first

1 month following the start of Respondent's probationary period and continuing each  
2 month thereafter until the Board terminates the probation. If the log reporting date  
3 falls on a Saturday, Sunday, or holiday, the report log is due on the next business day.  
4 **Even if Respondent performs no appraisals within a given month, he must still**  
5 **file an appraisal log with the Board showing that no appraisals were performed.**

6 The monthly log report may be filed by mail or facsimile.

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

13 13. Respondent's probation, including mentorship, shall continue until: (a)  
14 Respondent petitions the Board for termination as provided in paragraph 14, and (b)  
15 the Board terminates the probation and mentorship. Upon petition by the Respondent  
16 for termination of the probation and mentorship, the Board will select and audit 3 of  
17 Respondent's appraisal reports.

18 14. At the end of **six (6) months** from ~~the start date~~ of Respondent's  
19 probationary period, the Respondent must petition the Board for termination of his  
20 mentorship and probation. If the Board determines that Respondent has not complied  
21 with **all** the requirements of this Consent Agreement, the Board, at its sole discretion,  
22 may either: (a) continue the probation, including mentorship; or (b) institute  
23 proceedings for noncompliance with this Consent Agreement, which may result in  
24 suspension, revocation, or other disciplinary and/or remedial action.

25 15. Respondent shall not act as a supervising appraiser for other appraisers or  
26 trainees, nor shall he act as a mentor, during the term of the suspension or probation.

1 Respondent shall also not teach any course related to real estate appraisals during the  
2 term of the suspension or probation.

3 16. Respondent shall comply with the Uniform Standards of Professional  
4 Appraisal Practice in performing all appraisals and all Board statutes and rules.

5 17. If, between the effective date of this Consent Agreement and the  
6 termination of Respondent's probation by the Board, Respondent fails to renew his  
7 license while under this Consent Agreement and subsequently applies for a license or  
8 certificate, the remaining terms of this Consent Agreement, including probation and  
9 mentorship, shall be imposed if the application for license or certificate is granted.

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

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

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

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

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

2           23.     Respondent agrees that within **six (6) months** of the effective date of  
3 this Consent Agreement and Order, he shall remit to the Board of Appraisal the sum  
4 of \$2,000.00 as and for reimbursement of the costs the Board incurred in the  
5 investigation of these matters.

6           24.     If Respondent fails to comply with the terms of this Consent Agreement,  
7 including timely payment to the Board for its investigative costs as set forth in  
8 paragraph 23, the Board shall properly institute proceedings for noncompliance with  
9 this Consent Agreement, which may result in suspension, revocation, or other  
10 disciplinary and/or remedial actions. Respondent agrees that any violation of this  
11 Consent Agreement is a violation of A.R.S. § 32-3631(A)(8), which is willfully  
12 disregarding or violating any of the provisions of the Board's statutes or the rules of  
13 the Board for the administration and enforcement of its statutes.

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

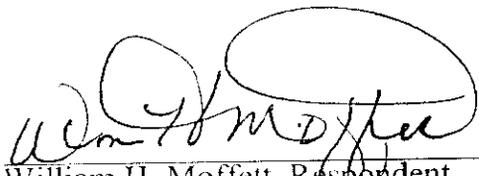
22           26.     Respondent understands that the foregoing Consent Agreement shall not  
23 become effective unless and until adopted by the Board of Appraisal and executed on  
24 behalf of the Board. Any modification to this original document is ineffective and  
25 void unless mutually approved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

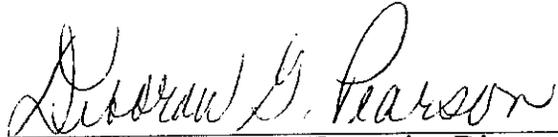
26           27.     Respondent understands that this Consent Agreement is a public record that

1 may be publicly disseminated as a formal action of the Board.

2 28. Pursuant to the Board's Substantive Policy Statement #1, the Board  
3 considers the violations in the above-referenced matter to constitute to a **Level V**  
4 **Violation.**

5 DATED this <sup>13<sup>th</sup></sup> ~~13~~ day of August, 2008.

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8   
9 William H. Moffett, Respondent

8   
9 Deborah G. Pearson, Executive Director  
Arizona Board of Appraisal

10  
11 APPROVED AS TO FORM:

12  
13   
14 Corey I. Richter  
15 MACK & ASSOCIATES, P.C.  
16 Attorneys for Respondent

Date: 8/13/08

17 **ORIGINAL** of the foregoing filed  
18 this <sup>13<sup>th</sup></sup> ~~13~~ day of August, 2008 with:  
19 Arizona Board of Appraisal  
1400 West Washington Street, Suite 360  
Phoenix, Arizona 85007

20 **COPY** of the foregoing mailed regular mail *and certified mail 7001 2570 0001 3358 8867*  
21 this <sup>13<sup>th</sup></sup> ~~13~~ day of August, 2008 to:  
22 William H. Moffett  
P.O. Box 71684  
Phoenix, AZ 85050  
24 Corey I. Richter (Regular Mail only)  
25 MACK & ASSOCIATES, P.C.  
2398 East Camelback Road  
Ste. 690  
26 Phoenix, Arizona 85016  
Attorneys for Respondent

1 COPY of the foregoing sent or delivered  
2 this 17<sup>th</sup> day of August, 2008 to:

3 Jeanne M. Galvin  
4 Assistant Attorney General  
5 Arizona Attorney General's Office  
6 1275 West Washington, CIV/LES  
7 Phoenix, Arizona 85007

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By: *William H. Pearson*

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