

1 a. The Respondent did not adjust for the fact that two of the
2 comparable sales were not located on the golf course, nor did he adjust for the fact
3 that all three comparable sales had spas. Respondent also did not adjust for the
4 fact that Comparable #3 had superior design and appeal and was considerably
5 newer than the subject property;

6 b. The Respondent made errors in the adjustment process for the
7 number of garage stalls;

8 c. The Respondent did not adjust for difference in site areas between
9 the comparable sales and the subject;

10 d. The Respondent did not comment on, or adjust for, Comparable #2's
11 separate guest quarters;

12 e. The Respondent utilized an unsupported Replacement Cost figure
13 from Marshall & Swift for the subject improvements, and also provided an
14 unsupported opinion of market value for the subject site;

15 f. The Respondent included an incorrect Assessor's Parcel Number,
16 and an incomplete address in the report for the subject property. Respondent also
17 included incorrect 2005 taxes for the subject property;

18 g. The report did not contain a complete legal description for the
19 subject property, and did not show the correct subject zoning. There are
20 discrepancies between the field sketch page and the computer generated sketch
21 page. There are also discrepancies in the sketch page and information provided by
22 MLS and public records regarding the number of subject garages;

23 h. The report did not include adjustments for the presence of spas in
24 Comparable Sales #1 and #2, and the address and other information shown on the
25 subject photograph page shows an address of 4814 North Litchfield Knolls;
26

1 i. The report states that the subject property has City water and sewer
2 when, in fact, these two services are provided by a private company;

3 j. The report is not reasoned to include an estimate of reasonable
4 exposure time;

5 k. The Respondent included three improved comparable sales, that
6 when adjusted for differences between the comparable sales and the subject
7 property, provided a 66.3% low to high range in indicated market value for the
8 subject property. This does not assist the client/intended user in concluding to the
9 Respondent's opinion of market value. Also, the Cost Approach included in the
10 appraisal report did not include sufficient data to permit the client/intended user to
11 accept the Respondent's opinion of value from this valuation approach;

12 l. The report included an opinion of site value, however, there was no
13 support in the report or work file for the opinion of site value. Additionally,
14 Marshall Swift, under the highest quality rating, indicates replacement cost new of
15 something approaching \$200 per square foot of improvement area. There is no
16 basis for using a replacement cost figure of \$236 per square foot for the subject
17 property. It is difficult to accept the Respondent's reconciled market value
18 opinion, based on information available in the report. The report fails to
19 summarize sufficient information in the Sales Comparison Approach to permit the
20 reader to follow Respondent's reasoning leading to a market value opinion of the
21 improved property;

22 m. A licensed residential appraiser is permitted to appraise non-
23 complex one to four family residential units having a value of less than one
24 million dollars and complex one to four residential units having a value of less
25 than two hundred and fifty thousand dollars. Respondent, in appraising a single
26

1 family residence with a value over one million dollars has appraised beyond the
2 limitations of his license.

3 **CONCLUSIONS OF LAW**

4 1. Pursuant to A.R.S. § 32-3635, a certified or licensed appraiser in the State
5 of Arizona must comply with the standards of practice adopted by the Arizona State
6 Board of Appraisal. The Standards of Practice adopted by the Board are codified in the
7 USPAP edition applicable at the time of the appraisal.

8 2. The conduct described above constitutes violations of the following
9 provisions of the USPAP, 2005 edition: Standards Rule 1-1(b); Standards Rule 1-1(c);
10 Standards Rule 1-2(c)(i)(ii)(iii)(iv) and SMT-6; Standards Rule 1-4(a); Standards Rule 1-
11 4(b)(i)(ii); Standards Rule 1-6(a); Standards Rule 1-6(b); Standards Rule 2-1(a);
12 Standards Rule 2-1(b); and Standards Rule 2-2(b)(v)(ix).

13 3 The conduct described above constitutes a violation of A.R.S. §32-3612.

14 **ORDER**

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

17 1. Beginning on the effective date of this Consent Agreement, Respondent's
18 License No. 10964 shall be placed on probation for a minimum of six (6) months.
19 During the term of probation, Respondent shall: (a) demonstrate resolution of the
20 problems that resulted in this disciplinary action; and (b) otherwise comply with the
21 terms of this Consent Agreement.

22 2. Within 6 months from the effective date of this Consent Agreement,
23 Respondent shall complete at least 12 appraisal reports under the supervision of an
24 Arizona Certified General or Residential Appraiser who shall serve as Respondent's
25 mentor ("Mentor").
26

1 3. Respondent shall successfully complete the following education within 6
2 months of the effective date of this Consent Agreement: a fifteen (15) hour USPAP
3 course (with exam).

4 4. The education required under paragraph 3 may not be counted toward the
5 continuing education requirements for the renewal of Respondent's certificate. The same
6 class may not be repeated to fulfill the education requirements in paragraph 3.

7 5. During the probationary period, the Respondent shall not issue a verbal or
8 written appraisal, appraisal review, or consulting assignment without prior review and
9 approval by the Mentor. Each report shall be signed by the Mentor as a supervisory
10 appraiser.

11 6. In the event that the Respondent's client will not accept the signature of the
12 Mentor affixed to an assignment as a supervisory appraiser, the Mentor need not co-sign
13 the report, but must complete a written review of each report ensuring that the report
14 complies with USPAP, and the Board's rules and statutes. The Mentor's review shall
15 comply with the requirements of Standard 3 of the USPAP. The Mentor's Standard 3
16 review shall be completed before the report is issued to the client. Any changes the
17 Mentor requires to ensure the report complies with the USPAP shall be completed by the
18 Respondent and approved by the Mentor before the report is issued. The Mentor's
19 written Standard 3 review shall be maintained by the Mentor and made available to the
20 Board upon request. In order to invoke these provisions, the Respondent must submit
21 proof to the Board with his monthly log showing that his client's policies prevent co-
22 signature by the Mentor.

23 7. The Mentor must be approved by the Board and is subject to removal by
24 the Board for nonperformance of the terms of this Consent Agreement. The Mentor may
25 not have a business relationship with Respondent or be related to respondent. Any
26 replacement Mentor is subject to the Board's approval and the remaining terms of this

1 Consent Agreement. The Board's Executive Director may give temporary approval of
2 the Mentor until the next regular meeting of the Board.

3 8. Not more than 30 days after the effective date of this Consent Agreement,
4 Respondent shall submit to the Board the name and resume of an Arizona Certified
5 Residential or Arizona Certified General Appraiser who is willing to serve as
6 Respondent's Mentor together with a letter from the potential Mentor agreeing to serve as
7 Respondent's Mentor. If requested by Board staff, Respondent shall continue to submit
8 names, resumes, and letters agreeing to serve as Mentor until a mentor is approved by the
9 Board. Any Mentor must be approved in writing by the Board.

10 9. Respondent shall bear all costs and expenses associated with the
11 mentorship and incurred in attended the courses.

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

24 11. The Respondent shall file an appraisal log with the Board on a monthly
25 basis listing every Arizona appraisal that she has completed within the prior calendar
26 month by property address, appraisal type, valuation date, the Mentor's review date, the

1 date the appraisal was issued, and the number of hours worked on each assignment. The
2 report log shall be filed monthly beginning the 15th day of the first month following the
3 start of Respondent's probationary period and continuing each month thereafter until the
4 Board terminates the probation. If the log reporting date falls on a Saturday, Sunday, or
5 holiday, the report log is due on the next business day. Even if Respondent performs no
6 appraisals within a given month, he must still file an appraisal log with the Board
7 showing that no appraisals were performed. The monthly log report may be field by mail
8 or facsimile.

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

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

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

26

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

4 16. Respondent shall comply with the Uniform Standards of Professional
5 Appraisal Practice in performing all appraisals.

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

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

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

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

26

1 21. The parties agree that this Consent Agreement constitutes final resolution
2 of this disciplinary matter.

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

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

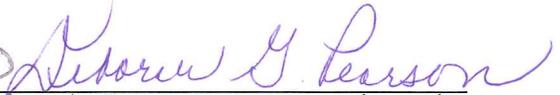
11 24. Respondent understands that this Consent Agreement does not constitute a
12 dismissal or resolution of other matters currently pending before the Board, if any, and
13 does not constitute any waiver, express or implied, of the Board's statutory authority or
14 jurisdiction regard any other pending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

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

23 26. Respondent understands that this Consent Agreement is a public record that
24 may be publicly disseminated as a formal action of the Board.

25 27. Pursuant to the Board's Substantive Policy Statement #1, the Board
26 considers this violation to amount to a Level IV Violation.

1 DATED this ^{24th} ~~16~~ day of ^{Aug} June, 2007.

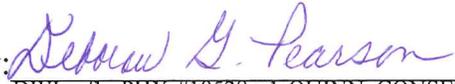
2  
3 Everett L. Quinn, Respondent Deborah G. Pearson, Executive Director
Arizona Board of Appraisal

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5 ORIGINAL of the foregoing filed
6 this ^{16th} day of June, 2007 with:

7 Arizona Board of Appraisal
8 1400 West Washington Street, Suite 360
9 Phoenix, Arizona 85007

10 COPY of the foregoing mailed regular and U.S.
11 Certified Mail # ^{7006 0100 0002 8052 4353}
12 this ^{24th} day of ^{August} June, 2007 to:

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14
15 Everett L. Quinn
16 11827 West Windrose Avenue
17 El Mirage, Arizona 85335
18 Respondent

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By: 
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