



ARIZONA BOARD OF APPRAISAL

1400 West Washington, Suite 360
Phoenix, Arizona 85007
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Email: info@azboa.gov
Website: www.azboa.gov

June 6, 2012

Mr. Larry G. Stewart
4339 La Calzada
Fort Mohave, AZ 86426

Re: Board of Appraisal Case No. 3270

Dear Mr. Stewart,

As you know, the Board received the above-referenced complaint against you for an appraisal you performed of a single family residence located at 5669 South Clubhouse Drive, Fort Mohave, AZ 86426-6737 with an effective date of value of January 7, 2011.

The Board met on April 18, 2012 to consider the matter. In reviewing the matter, the Board considered the complaint, your response thereto, the appraisal, the supporting workfile and the investigative report. At the conclusion of its consideration, the Board voted to offer you the opportunity resolve this matter with a letter of due diligence.

The Board concluded that there were a number of errors with respect to comparable sale no. 3 that resulted in a non-credible conclusion. For instance, that property was located in a gated lake community and backed to a lake channel; it also had a Jacuzzi tub and handi-capped accessible shower with two shower heads and sitting area, oversize master closet and attached casita which were not fully discussed. This property's sales history indicates it was subject to a flip transaction that you failed to fully analyze. Also, you did not disclose or adjust for the fact that this property has HOA fees of approximately \$106.00 per month. Finally, you incorrectly stated "Fenced" for the subject when no fencing was observed and you failed to report golf course/lake/mountain views.

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(b) and (c)

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 these matters with this letter of due diligence, if you **successfully complete a fifteen (15) hour course in Basic Appraisal (with an exam) and a seven (7) hour 2012-2013 USPAP Update course.** The education must be completed within six (6) months

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from the date of this letter as shown at the top of the first page. 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 7 hour USPAP Update course may be used for the renewal of your certificate.** 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 **July 6, 2012.** If you do not return this original document on or before the specified date, the Board may conduct further proceedings.

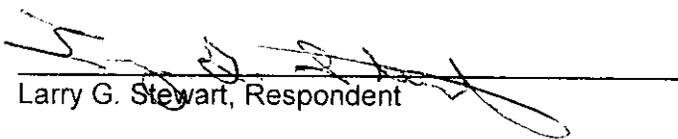
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Sincerely,



Dan Pietropaulo
Executive Director

ACKNOWLEDGED AND AGREED



Larry G. Stewart, Respondent

6/28/12

Date

c: Jeanne M. Galvin, Assistant Attorney General

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