



ARIZONA BOARD OF APPRAISAL

1400 West Washington, Suite 360
Phoenix, Arizona 85007
(602) 542-1539 Fax (602) 542-1598
Email: appraisal@appraisal.state.az.us
Website: www.appraisal.state.az.us

Board Meetings and Other Items Newsletter 6/7/2011

Much has happened since our last newsletter and I will attempt to bring you current with this edition.

First of all, the May 20, 2011 DRAFT minutes from the Board meeting have been posted.

For those of you who don't regularly read them you may want to start. Try it. The minutes summarize the complaints and resulting Board actions.

Appraisal issues this month include:

1. Neighborhood boundaries
2. 1004MC issues
3. Cost approach and external obsolescence
4. Lack of disclosure of powerlines
5. Lack of discussion and adjustment of comps in gated communities
6. Lack of adjustments for views and upgrades
7. Choice of comparables and adjustments

AMC issues this month include:

1. There were 2 AMC matters before the Board that included issues such as non-responsiveness to the Board, failure to timely pay appraisers and other issues that resulted in the Board moving the matters to formal proceedings for further disciplinary action.
2. Late payment to appraisers resulting in non disciplinary letter of concern.
3. The authorization of our AG to enter into negotiations with an AMC regarding a voluntary surrender of their registration.

As a result of the May meeting a special telephonic Board meeting was held yesterday,

June 6, 2011, at which time the Board moved to summarily suspend the registration of eTEC Appraisal Management Company, Registration #40083. The summary suspension was based on three complaints involving late or non payment of about 35 Arizona appraisals. The Board moved to refer the matter to formal hearing for revocation and civil penalty of \$15,000 per occurrence. The hearing will be before an Administrative Law Judge with the Office of Administrative Hearings. The hearing is scheduled for late July. *DRAFT* minutes of this meeting are now posted on the website.

Other agenda items at the May meeting included a discussion of HB 2541, and the possible impact of medical marijuana on the appraisal profession. I briefed the Board how the Arizona Department of Administration is handling this issue in relation to employee and employer issues. Jeanne Galvin, Assistant Attorney General informed the Board that the Attorney General will be issuing a memorandum to all state agencies on formal guidelines and how to implement them. The memorandum will be coming out sometime in the future.

After the smoke cleared the Board munched through a 30 pound bag of Cheetos and then adjourned. (I'm kidding...!)

While not as exciting as *Transformers Gone Wild* and not as long as *War and Peace* you should find the Board minutes interesting reading as they are extremely relevant to your

profession and what you do everyday. Hopefully it won't read like an autobiography. If it does maybe now would be the time to consider some corrections.

Changes to the AMC initial/renewal application form:

1. New revised form now posted on the website. The most current version was posted on the website today, 6/7/2011. Please use this most current version.
2. Renewal applications require filling out the entire application.
3. Proof of AMC name registration with either Arizona Secretary of State or the Arizona Corporation Commission, whichever is applicable.
4. Consent to Service of Process Appointed Agent must be in Arizona.
5. New bond form with effective date the same as the renewal date.
6. Be sure to send your surety company the most current bond form from the website, use of the old form may cause a delay in processing the application.
7. Effective April 6, 2011 all initial and renewal applications require an application fee of \$2,500 payable by certified/cashier check or money order payable to the order of the Arizona Board of Appraisal. Cash is accepted but only in person.

Watch for upcoming newsletters which will address the pitfalls of Inactive Status, ramifications of not having completed your upgrade from Licensed to Certified Residential, and other issues. Soon we will start including information proprietary to AMCs and tax agents as well.

This is part of an ongoing process to communicate with the regulated community and disseminate important information essential to your continued performance and excellence. After all, the best way for the Board to protect the public is to continue to educate, inform, and otherwise enable the regulated community. The more informed and educated you are the more professional and credible you will be. The more professional and credible you are.. the better we protect the public. Ultimately, professionalism and credibility are a direct reflection of you and your work product. Only you can control that. We're just trying to help.

You folks are good.. keep it up.

Sincerely,

A handwritten signature in blue ink that reads "Dan Pietropaulo". The signature is fluid and cursive, with the first name "Dan" being particularly prominent.

Dan Pietropaulo #30412
Executive Director
Arizona Board of Appraisal
www.appraisal.state.az.us