

Appraisal Subcommittee
Federal Financial Institutions Examination Council

June 2, 1997

Ms. Shirley Berry, Executive Director
Arizona Board of Appraisal
1400 West Washington, Suite 360
Phoenix, Arizona 85007

Dear Ms. Berry:

Thank you for your May 5, 1997 letter in which the Arizona Board of Appraisal ("Board") responded to our December 20, 1996 letter. We appreciate the Board's review of complaint number [redaction]. However, we still have several questions. To assist in our review, please send the following information referenced in your letter:

- A listing that provides the appraiser's name, types of alleged violations, volunteer investigator used, summary of the investigator's findings, and the Disciplinary Committee's disposition for the 27 files the Board reviewed and compared against complaint number 300; and
- A copy of the Board meeting transcript for the meeting in which complaint number [redaction] was discussed.

During our field review, we compared complaint number [redaction] against two other complaints in which similar violations of the Uniform Standards of Professional Appraisal Practice ("USPAP") were noted. These complaints are numbers [redaction] and [redaction]. In its recent re-visiting of complaint number [redaction], did the Board review complaint numbers [redaction] and [redaction] and, if so, how did the Board reconcile the actions taken in those complaints compared with complaint number [redaction]? If the Board did not review complaint numbers [redaction], and [redaction], we recommend that these two complaints be reviewed and compared against the final disposition of complaint number [redaction]. Please report your findings to us.

Based on our records, the volunteer investigator who reviewed the appraisal involved in complaint number [redaction] cited approximately 20 violations of USPAP, including violations of the competency provision. Yet the Disciplinary Committee dismissed the complaint and stated that there were "no significant violations of USPAP." Did the Disciplinary Committee disagree with the investigator's findings? If so, should the Board have assigned another volunteer investigator to review the complaint? Did the Disciplinary Committee agree with the investigator's findings but determine that they were not "significant"? How did you resolve the number of cited violations and apparent seriousness of some of the violations with the dismissal of the complaint? Perhaps these questions are answered in the Board meeting transcript which you will forward to us. .

While we have no desire to drag out this issue, equitable treatment of all appraisers, particularly Board members, is critical to an effective appraiser regulatory program. We must ensure that the Board considered this complaint in a non-biased manner.

Please provide the requested information within 45 days from the date of this letter. If we can clarify any issue discussed above, please call us.

Sincerely,

Ben Henson
Executive Director

cc: Ann Susko, Chairperson
Arizona Board of Appraisal