



1 CONSENT AGREEMENT

2 Respondent understands and agrees that:

3 1. The Board has jurisdiction over Respondent and the subject matter pursuant  
4 to A.R.S. § 32-3601 *et seq.*

5 2. Respondent has the right to consult with an attorney prior to entering into  
6 this Consent Agreement.

7 3. Respondent has a right to a public hearing concerning this case. She further  
8 acknowledges that at such formal hearing she could present evidence and cross-examine  
9 witnesses. Respondent irrevocably waives her right to such a hearing.

10 4. Respondent irrevocably waives any right to rehearing or review or to any  
11 judicial review or any other appeal of this matter.

12 5. This Consent Agreement shall be subject to the approval of the Board and  
13 shall be effective only when signed by the Executive Director and accepted by the Board.  
14 In the event that the Board does not approve this Consent Agreement, it is withdrawn and  
15 shall be of no evidentiary value and shall not be relied upon nor introduced in any action  
16 by any party, except that the parties agree that should the Board reject this Consent  
17 Agreement and this case proceeds to hearing, Respondent will assert no claim that the  
18 Board was prejudiced by its review and discussion of this document or any records  
19 relating thereto.

20 6. The Consent Agreement, once approved by the Board and signed by the  
21 Respondent, shall constitute a public record which may be disseminated as a formal  
22 action of the Board.

23 FINDINGS OF FACT

24 1. This matter concerns an appraisal and appraisal report completed by  
25 Respondent of a single family home located at 2256 Isla Bonita Drive, Sierra Vista, AZ  
26 with an effective date of value of December 17, 2012. The subject is proposed

1 construction of a custom home in the Reserves development of Canyon de Flores  
2 subdivision.

3 2. The Respondent added an additional Comparable Sale to the report after the  
4 effective date of appraisal and utilized the MLS photos rather than view the exterior of  
5 the property due to the distance to the site; this is in direct conflict with the signed  
6 certification.

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8 3. The Respondent did not analyze the builder's cost estimates or sales  
9 contract and utilized comparable sales that did not include site value. As proposed  
10 construction, actual building costs should have been reviewed and analyzed.

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12 4. The Respondent also failed to evaluate the sales comparables accurately.

13 5. The Respondent deducts the land value from Comparable No. 4 and states  
14 in the reply that she did so because the subject's "contract price was understood to be for  
15 new construction only." This implies that the conclusion of market value is for the  
16 improvements alone and not the real estate (home plus land). Other comparable sales  
17 included the combined site and improvement in the package prices reported. Comparing  
18 the subject to sales of properties without the land value included is not a recognized  
19 appraisal technique.  
20

21 ~~6. The Respondent did not analyze the sales contract properly to report that~~  
22 ~~the contract price did not include the cost of the subject site. A disclosure and analysis of~~  
23 ~~the contract was necessary to produce a credible report.~~

24  
25 7. Additionally, the Respondent did not analyze the time of completion or  
26 actual costs and did not retain plans, specifications or builder cost estimates.



1 this paragraph may not be counted toward the continuing education requirements for  
2 the renewal of Respondent's certificate. The same class may not be repeated to fulfill  
3 the education requirements of this Consent Agreement.

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5 3. Proof of completion of the required education must be submitted to the  
6 Board within 3 weeks of completion of the required coursework. Respondent is  
7 responsible for all costs associated with completing the coursework.

8 4. During the period of probation, Respondent shall complete a minimum of  
9 **five (5) demonstration 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 appraisal reports must be of new construction.** All other appraisals  
12 performed by Respondent are not required to be performed under the supervision of a  
13 Mentor.

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15 5. During the probationary period, Respondent's **five demonstration**  
16 **appraisal reports** shall be reviewed and approved by a Mentor. Each report shall **either**  
17 **be signed by the Mentor as a supervisory appraiser or the Mentor must complete a**  
18 **written Standard 3 Review of each report ensuring that the report complies with USPAP**  
19 **and the Board's statutes and rules. The Mentor's review shall comply with the**  
20 **requirements of Standard 3 of the USPAP. The Mentor's written Standard 3 Review shall**  
21 **be maintained by the Mentor and made available to the Board upon request. The Mentor**  
22 **shall supervise the Respondent for only the completion of five demonstration**  
23 **appraisal reports involving new construction.**

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25 6. The Mentor must be approved by the Board and is subject to removal by  
26 the Board for nonperformance of the terms of this Consent Agreement. The Mentor may

1 not have a business relationship with Respondent except for the Mentor/Mentee  
2 relationship nor may the Mentor be related to Respondent. Any replacement Mentor is  
3 subject to the Board's approval and the remaining terms of this Consent Agreement. The  
4 Board's Executive Director may give temporary approval of the Mentor until the next  
5 regular meeting of the Board.  
6

7 7. Not more than 30 days after the effective date of this Consent Agreement,  
8 Respondent shall submit to the Board the name and resume of an Arizona Certified  
9 Residential or Arizona Certified General Appraiser who is willing to serve as  
10 Respondent's Mentor together with a letter from the potential Mentor agreeing to serve as  
11 Respondent's Mentor. If requested by Board staff, Respondent shall continue to submit  
12 names, resumes, and letters agreeing to serve as a Mentor until a Mentor is approved by  
13 the Board. Any Mentor must be approved in writing by the Board.  
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15 8. Respondent shall bear all costs and expenses associated with the  
16 mentorship.  
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18 9. The Board reserves the right to audit any of Respondent's reports and  
19 conduct peer review, as deemed necessary, during the probationary period. The Board  
20 may, in its discretion, seek separate disciplinary action against the Respondent for any  
21 violation of the applicable statutes and rules discovered in an audit of the Respondent's  
22 appraisal reports provided to the Board under the terms of this Consent Agreement.  
23

24 10. Respondent's probation, including mentorship, shall continue until: (a)  
25 Respondent petitions the Board for termination as provided in paragraph 11 and (b) the  
26 Board terminates the probation and mentorship. Upon petition by the Respondent for

1 termination of the probation and mentorship, the Board will select and audit 3 of  
2 Respondent's appraisal reports.

3         11. At the end of ten (10) months from the effective date of the Consent  
4 Agreement, the Respondent may petition the Board for termination of her mentorship and  
5 probation. If the Board determines that Respondent has not complied with all the  
6 requirements of this Consent Agreement, the Board, at its sole discretion, may either: (a)  
7 continue the probation, including mentorship; or (b) institute proceedings for  
8 noncompliance with this Consent Agreement, which may result in suspension,  
9 revocation, or other disciplinary and/or remedial action.  
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11         12. Respondent shall not act as a supervising appraiser for other appraisers or  
12 trainees, nor shall she act as a mentor, during the term of the probation. Respondent shall  
13 also not teach any course related to real estate appraisals during the term of the  
14 suspension or probation.  
15

16         13. Respondent shall comply with the Uniform Standards of Professional  
17 Appraisal Practice in performing all appraisals and all Board statutes and rules.  
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19         14. If, between the effective date of this Consent Agreement and the  
20 termination of Respondent's probation by the Board, Respondent fails to renew her  
21 certificate while under this Consent Agreement and subsequently applies for a license or  
22 certificate, the remaining terms of this Consent Agreement, including probation and  
23 mentorship, shall be imposed if the application for license or certificate is granted.  
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25         15. Respondent has read and understands this Consent Agreement as set forth  
26 herein, and has had the opportunity to discuss this Consent Agreement with an attorney

1 or has waived the opportunity to discuss this Consent Agreement with an attorney.  
2 Respondent voluntarily enters into this Consent Agreement for the purpose of avoiding  
3 the expense and uncertainty of an administrative hearing.

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

12           17. Respondent understands that this Consent Agreement, or any part thereof,  
13 may be considered in any future disciplinary action against him.

14           18. The parties agree that this Consent Agreement constitutes final resolution  
15 of this disciplinary matter.

16           19. Time is of the essence with regard to this agreement.

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

3 21. Respondent understands that this Consent Agreement does not constitute a  
4 dismissal or resolution of other matters currently pending before the Board, if any, and  
5 does not constitute any waiver, express or implied, of the Board's statutory authority or  
6 jurisdiction regard any other pending or future investigation, action or proceeding.  
7 Respondent also understands that acceptance of this Consent Agreement does not  
8 preclude any other agency, subdivision or officer of this state from instituting other civil  
9 or criminal proceedings with respect to the conduct that is the subject of this Consent  
10 Agreement.  
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13 22. Respondent understands that the foregoing Consent Agreement shall not  
14 become effective unless and until adopted by the Board of Appraisal and executed on  
15 behalf of the Board. Any modification to this original document is ineffective and void  
16 unless mutually approved by the parties in writing.  
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18 23. Respondent understands that this Consent Agreement is a public record that  
19 may be publicly disseminated as a formal action of the Board.

20 24. Pursuant to the Board's Substantive Policy Statement #1, the Board  
21 considers the violations in the above-referenced matter to constitute to a Level III  
22 Violation.

23 DATED this 15<sup>th</sup> day of January, 2014.

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25   
26 Nicki Flores  
Respondent

  
Debra Rudd  
Executive Director

Arizona Board of Appraisal

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**ORIGINAL** of the foregoing filed  
this 15<sup>th</sup> day of January, 2014 with:

Arizona Board of Appraisal  
15 South 15<sup>th</sup> Ave., Ste. 103A  
Phoenix, Arizona 85007

**COPY** of the foregoing mailed regular  
and certified mail #1012 3650 6602 0740 5400  
this 15<sup>th</sup> day of January, 2014 to:

Nicki Flores  
3150 S. Eastview Drive  
Tucson, AZ 85730

**COPY** of the foregoing sent or delivered  
this 15<sup>th</sup> day of January, 2014 to:

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

By: Waney A. Anderson  
3650972