

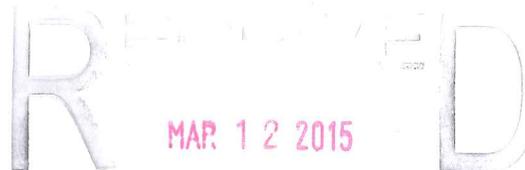


ARIZONA BOARD OF APPRAISAL

15 S. 15th Ave., Suite 103A
Phoenix, Arizona 85007
(602) 542-1558 Fax (602) 542-1598
Email: info@azboa.gov
Website: www.boa.az.gov

March 6, 2015

Mr. Lyle F. Gallagher
1220G Airport Freeway
Ste. 583
Bedford, TX 76022



AZ Board of Appraisal
15 S. 15th Ave., Suite 103A

Re: Board of Appraisal Case No. 3734

Dear Mr. Gallagher:

As you know, the Board received a complaint against you for the appraisal you performed on a single family residence located 5448 E. Mariposa Street, Phoenix, AZ with an effective date of July 30, 2014.

At its February 20, 2015, monthly meeting, the Board of Appraisal held an Informal Hearing in the above-referenced matter. You appeared personally and on your own behalf. In addressing this matter, the Board reviewed the complaint, your response thereto, the appraisal, the supporting workfile, and your testimony during the Informal Hearing.

The Board concluded that you failed to adequately describe the neighborhood as being Arcadia and as such, its unique characteristics. Your failure to recognize the area as Arcadia lead to the use of comparables outside of the area and resulted in the poor selection of comparables. Specifically, Comparable No. 2 was a hilltop, multi-level residence on Camelback Mountain. Finally, your adjustments were not supported.

The Board finds that your appraisal development and reporting violate the following standards of the Uniform Standards of Professional Appraisal Practice, the 2014-2015 Edition:

Standards Rule 1-2(e) and Standards Rule 1-4(a)

Pursuant to Arizona Administrative Code (A.A.C.) R4-46-301 and the Board's Substantive Policy Statement #1, the Board considers these violations to amount to a Level III 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 this matter with a letter of due diligence, if you agree to remedy these violations through exercising greater due diligence in the future and if you complete a **seven (7) hour course in complex properties. It is understood that this coursework has already been completed and proof of its completion has been submitted to the Board.** The education may not be used toward your continuing education requirements for renewal during your next licensing period.

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

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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 15 South 15th Avenue, Ste. 103A, Phoenix, Arizona 85007, on or before **March 27, 2015**. If you do not return this original document on or before the specified date, the Board may conduct further proceedings, including but not limited to a formal hearing before the Office of Administrative Hearings.

Sincerely,



Debra Rudd
Executive Director

ACKNOWLEDGED AND AGREED



Lyle F. Gallagher, Respondent

3-11-15

Date

c: Jeanne M. Galvin, Assistant Attorney General