



## ARIZONA BOARD OF APPRAISAL

15 S. 15<sup>th</sup> Ave., Suite 103A  
Phoenix, Arizona 85007  
(602) 542-1558 Fax (602) 542-1598  
Email: [info@azboa.gov](mailto:info@azboa.gov)  
Website: [www.boa.az.gov](http://www.boa.az.gov)

June 15, 2015

Ms. Lana M. Domino  
18214 N. 45<sup>th</sup> St.  
Phoenix, AZ 85032

Re: Board of Appraisal Case No. 3754

Dear Ms. Domino,

As you know, the Board received a complaint against you for the appraisal you performed on a single family residence located at 32633 North 137<sup>th</sup> Street, Scottsdale, AZ with an effective date of July 18, 2014.

At its May 22, 2015, monthly meeting, the Board of Appraisal again met to discuss this matter and the fact that you failed to sign the previously offered letter of due diligence. Despite having been properly noticed, you did not appear. At the conclusion of its consideration of the matter, the Board voted to reoffer the Letter of Due Diligence to you and provide you the opportunity to sign the Letter of Due Diligence within five (5) business days or the matter will be referred to formal hearing.

The Board addressed this matter, reviewing the complaint, your response thereto, the appraisal (revised), the supporting workfile, and the Investigative Review.

The Board concluded that while you disclosed in the report that you did not inspect the comparable sales (for fear of causing damage to your car), you signed the certification that you, in fact, had inspected the comparable sales. It is not appropriate to simply provide a disclaimer why the comparables were not inspected, and it is deceptive to knowingly sign a certification with false statements. In addition, your workfile does not contain sufficient data to support your analyses or opinion of value. The Board's investigation also revealed that you failed to support the adjustments made to the sales comparables, failed to provide adequate support for site value, and failed to adequately analyze the relevant features of the subject property, namely the detached guest house and hauled water. While you repeatedly state in the appraisal report that hauled water is common in the area and does not impact market value/marketability, there is no data in the appraisal or workfile to support this assertion. With respect to the guesthouse, you stated that the adjustment for detached guest quarters is based upon a "matched pair analysis" and you reference an MLS number used for the

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AZ Board of Appraisal  
15 S. 15th Ave., Suite 103A  
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analysis. You also state that you used the same methodology to confirm there is no adjustment indicated between a 2 and 3-bedroom home. However, only one sale is identified in both of these analyses. It is not possible to do a paired sales analysis with only one sale. Moreover, the opinion of site value is based upon Assessor Tax records and is not adequately supported. Relying on tax records for the subject's site value is not recognized appraisal methodology.

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 1-1(a); Standards Rule 1-2(h); Standards Rule 1-4(a); Standards Rule 1-4(b)(i); Standards Rule 2-1(a) and (b); Standards Rule 2-2(a)(vii)(viii); Scope of Work Rule and the Recordkeeping Rule**

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 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 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 and a seven (7) hour course in the Sales Comparison Approach**. The education may not be used toward your continuing education requirements for renewal during your next licensing period. The education must be completed within six (6) months of the date that appears at the top of this letter. Proof of completion of the coursework must be provided to the Board within three (3) weeks of completing 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

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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.

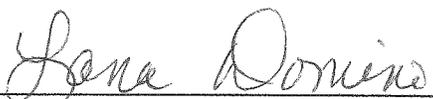
If you agree to accept this letter of due diligence, please execute this document by your signature below. Please return the original signed document to the Board at 15 South 15<sup>th</sup> Avenue, Ste. 103A, Phoenix, Arizona 85007, on or before June 23, 2015. If you do not return this original document on or before the specified date, the matter will be referred to a formal hearing.

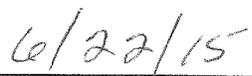
Sincerely,



Debra Rudd  
Executive Director

ACKNOWLEDGED AND AGREED

  
\_\_\_\_\_  
Lana M. Domino, Respondent

  
\_\_\_\_\_  
Date

c: Jeanne M. Galvin, Assistant Attorney General