

1 **BEFORE THE ARIZONA STATE BOARD OF APPRAISAL**

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ARIZONA BOARD OF APPRAISAL

2  
3 IN THE MATTER OF:

CASE No. 3331

4 **JOSEPH A. BLAGG**  
5 Certified Residential Appraiser  
6 Certificate No. 20215

**CONSENT AGREEMENT AND  
ORDER FOR PROBATION AND  
MENTORSHIP**

7 In the interest of a prompt and judicious settlement of the above-captioned matter  
8 before the Arizona Board of Appraisal (“Board”) and consistent with public interest,  
9 statutory requirements and responsibilities of the Board, and pursuant to A.R.S. § 32-3601  
10 *et seq.* and A.R.S. § 41-1092.07(F)(5), Joseph A. Blagg, (“Respondent”), holder of  
11 certificate no. 20215 and the Board enter into this Consent Agreement, Findings of Fact,  
12 Conclusions of Law and Order (“Consent Agreement”) as the final disposition of this  
13 matter.

14 On January 13, 2012, and March 15, 2013, the Board met to discuss case no. 3331.  
15 Respondent appeared personally on March 15, 2013. At the conclusion of its  
16 consideration of the matter, the Board voted to offer Respondent this Consent Agreement  
17 and Order in lieu of further administrative proceedings.

18 **JURISDICTION**

19 1. The Arizona State Board of Appraisal (“Board”) is the state agency  
20 authorized pursuant to A.R.S. § 32-3601 *et seq.*, and the rules promulgated thereunder,  
21 found in the Arizona Administrative Code (“A.A.C.” or “rules”) at R4-46-101 *et seq.*, to  
22 regulate and control the licensing and certification of real property appraisers in the State  
23 of Arizona.  
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1 completion of the required education must be submitted to the Board within 3 weeks of  
2 completion of the required courses. **Respondent is responsible for all costs associated**  
3 **with completing this education.** Proof of completion of the required education must be  
4 submitted to the Board within 3 weeks of completion of the required coursework. **The**  
5 **coursework may be completed through distance education.**

7 4. During the period of probation, Respondent shall complete a minimum of  
8 **twelve (12) appraisal reports** under the supervision of an Arizona Certified Residential  
9 or Certified General Appraiser who shall serve as Respondent's mentor ("Mentor"). **The**  
10 **appraisal reports may be demonstration reports.**

12 5. During the probationary period, the Respondent shall not issue a verbal or  
13 written appraisal, appraisal review, or consulting assignment without prior review and  
14 approval by a Mentor. Each report shall **either** be signed by the Mentor as a supervisory  
15 appraiser **or** the Mentor must complete a written Standard 3 Review of each report  
16 ensuring that the report complies with USPAP and the Board's statutes and rules. The  
17 Mentor's review shall comply with the requirements of Standard 3 of the USPAP. The  
18 Mentor's Standard 3 review shall be completed before the report is issued to the client.  
19 Any changes the Mentor requires to ensure the report complies with the USPAP shall be  
20 completed by the Respondent and approved by the Mentor before the report is issued.  
21 The Mentor's written Standard 3 Review shall be maintained by the Mentor and made  
22 available to the Board upon request.

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.  
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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 Mentor until a Mentor is approved by the  
13 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 and incurred by attending the course(s).  
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18 9. The Mentor shall submit monthly reports to the Board for each calendar  
19 month during Respondent's probationary period reflecting the quantity and quality of  
20 Respondent's work, including, but not limited to, improvement in Respondent's practice  
21 and resolution of those problems that prompted this action. The Mentor's report shall be  
22 filed monthly beginning the 1<sup>st</sup> day of the first month following the start of Respondent's  
23 probationary period and continuing each month thereafter until termination of the  
24 probationary period by the Board. **Even if the Mentor reviews no appraisals during a  
25 given month, a report stating that no appraisals were reviewed or approved must be  
26**

1 **submitted.** It is the Respondent's responsibility to ensure that the Mentor submits  
2 his/her reports monthly. If the monthly reporting date falls on a Saturday, Sunday, or  
3 holiday, the report is due on the next business day. The monthly report may be filed by  
4 mail, facsimile or electronically.

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6 10. The Respondent shall file an appraisal log with the Board on a monthly  
7 basis listing every Arizona appraisal that he has completed within the prior calendar  
8 month by property address, appraisal type, valuation date, the Mentor's review date, the  
9 date the appraisal was issued, and the number of hours worked on each assignment. The  
10 report log shall be filed monthly beginning the 1<sup>st</sup> day of the first month following the  
11 start of Respondent's probationary period and continuing each month thereafter until the  
12 Board terminates the probation. If the log reporting date falls on a Saturday, Sunday, or  
13 holiday, the report log is due on the next business day. **Even if Respondent performs**  
14 **no appraisals within a given month, he must still file an appraisal log with the Board**  
15 **showing that no appraisals were performed.** The monthly log report may be filed by  
16 mail, facsimile or electronically.

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19 11. The Board reserves the right to audit any of Respondent's reports and  
20 conduct peer review, as deemed necessary, during the probationary period. The Board  
21 may, in its discretion, seek separate disciplinary action against the Respondent for any  
22 violation of the applicable statutes and rules discovered in an audit of the Respondent's  
23 appraisal reports provided to the Board under the terms of this Consent Agreement.

24  
25 12. Respondent's probation, including mentorship, shall continue until: (a)  
26 Respondent petitions the Board for termination as provided in paragraph 13 and (b) the

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

4           13. At the end of **six (6) months** from the effective date of the Consent  
5 Agreement, the Respondent may petition the Board for termination of his mentorship and  
6 probation. If the Board determines that Respondent has not complied with **all** the  
7 requirements of this Consent Agreement, the Board, at its sole discretion, may either: (a)  
8 continue the probation, including mentorship; or (b) institute proceedings for  
9 noncompliance with this Consent Agreement, which may result in suspension,  
10 revocation, or other disciplinary and/or remedial action.

11           14. Respondent shall not act as a supervising appraiser for other appraisers or  
12 trainees, nor shall he 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           15. Respondent shall comply with the Uniform Standards of Professional  
16 Appraisal Practice in performing all appraisals and all Board statutes and rules.

17           16. If, between the effective date of this Consent Agreement and the  
18 termination of Respondent's probation by the Board, Respondent fails to renew his  
19 certificate while under this Consent Agreement and subsequently applies for a license or  
20 certificate, the remaining terms of this Consent Agreement, including probation and  
21 mentorship, shall be imposed if the application for license or certificate is granted.  
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1           17. Respondent has read and understands this Consent Agreement as set forth  
2 herein, and has had the opportunity to discuss this Consent Agreement with an attorney  
3 or has waived the opportunity to discuss this Consent Agreement with an attorney.  
4 Respondent voluntarily enters into this Consent Agreement for the purpose of avoiding  
5 the expense and uncertainty of an administrative hearing.  
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7           18. Respondent understands that he has a right to a public administrative  
8 hearing concerning each and every allegation set forth in the above-captioned matter, at  
9 which administrative hearing he could present evidence and cross-examine witnesses. By  
10 entering into this Consent Agreement, Respondent freely and voluntarily relinquishes all  
11 rights to such an administrative hearing, as well as all rights of rehearing, review,  
12 reconsideration, appeal, judicial review or any other administrative and/or judicial action,  
13 concerning the matters set forth herein. Respondent affirmatively agrees that this Consent  
14 Agreement shall be irrevocable.  
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16           19. Respondent understands that this Consent Agreement, or any part thereof,  
17 may be considered in any future disciplinary action against him.  
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19           20. The parties agree that this Consent Agreement constitutes final resolution  
20 of this disciplinary matter.

21           21. Time is of the essence with regard to this agreement.

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

4           23. Respondent understands that this Consent Agreement does not constitute a  
5 dismissal or resolution of other matters currently pending before the Board, if any, and  
6 does not constitute any waiver, express or implied, of the Board's statutory authority or  
7 jurisdiction regard any other pending or future investigation, action or proceeding.  
8 Respondent also understands that acceptance of this Consent Agreement does not  
9 preclude any other agency, subdivision or officer of this state from instituting other civil  
10 or criminal proceedings with respect to the conduct that is the subject of this Consent  
11 Agreement.

12           24. Respondent understands that the foregoing Consent Agreement shall not  
13 become effective unless and until adopted by the Board of Appraisal and executed on  
14 behalf of the Board. Any modification to this original document is ineffective and void  
15 unless mutually approved by the parties in writing.

16           25. Respondent understands that this Consent Agreement is a public record that  
17 may be publicly disseminated as a formal action of the Board.

18           26. Pursuant to the Board's Substantive Policy Statement #1, the Board  
19 considers the violations in the above-referenced matter to constitute to a **Level IV**  
20 **Violation.**

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DATED this 30<sup>th</sup> day of April, 2013.

Joseph A. Blagg  
Joseph A. Blagg  
Respondent

Debra Rudd  
Debra Rudd, Executive Director  
Arizona Board of Appraisal

ORIGINAL of the foregoing filed  
this 7 day of May, 2013 with:

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

COPY of the foregoing mailed regular and  
certified mail  
this 7 day of May, 2013 to:

Joseph A. Blagg  
1943 E. Vista Drive  
Phoenix, AZ 85022

COPY of the foregoing mailed interagency mail  
this 7 day of May, 2013 to:

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

By: Nancy Fuserna  
3219806