

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

2
3 In the Matter of:)
4 Lawrence A. Kenna)
5 Certified General Appraiser)
6 No. 30809)

Case No.1164 and 1165

**CONSENT AGREEMENT
AND ORDER**

7 The Arizona Board of Appraisal and Lawrence A. Kenna, ("the Respondent") hereby enter into
8 the following Findings of Fact, Conclusions of Law and Order.

9 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

- 10 1. The Board has jurisdiction over holders of appraisal licenses under A.R.S. § 32-3601
11 et.seq.
- 12 2. Currently, Mr. Kenna is a Certified General Appraiser, holder of Certificate No. 30809.
- 13 3. On or about October 27, 2000, Mr. Kenna performed an appraisal of an improved
14 commercial restaurant property located on E. Mountain Blvd. in Pinetop, Arizona ("Pinetop Appraisal"
15 or "Case No. 1164"). On or about June 1, 2001, Mr. Kenna performed a second appraisal of an animal
16 hospital in Lakeside, Arizona ("Lakeside Appraisal" or "Case No. 1165").
- 17 4. In performing the appraisals, Mr. Kenna violated A.R.S. 32-3631A(6) which requires
18 compliance with the Uniform Standards of Professional Appraisal Practice as adopted by the Board
19 pursuant to A.A.C. R4-46-401.
- 20 5. In performing the Pinetop Appraisal, Mr. Kenna violated the Uniform Standards of
21 Professional Appraisal Practice. The report violates Standards Rules ("SR") 1-1a, b and c, SR1-2c,
22 e(iv), f, g and h, SR1-3 a and b, SR1-4 a, b, c, h and g, SR2-1a, b and c, SR2-2b(iii), (iv), (v), (vii),
23 (viii), (ix) and (x), and SR7, as well as the Ethics Conduct and Competency Rules for the reasons more
24 fully set forth in the inquiry which initiated the above-referenced complaint and which is attached
25 hereto as Exhibit A. The violations in the Lakeside Appraisal were substantially similar in nature and
26 generally reflected a lack of competency and understanding to perform the assignment and
inappropriate

1 application of appraisal methodology which resulted in an unsupported and misleading conclusion of
2 value.

3 6. The predominant issue among all of the violations in both appraisals is that Mr. Kenna
4 performed commercial assignments which are outside the scope of his competency. In mitigation, the
5 Board considers Mr. Kenna's candor in these proceedings, his ready admission of violations, his
6 attempts to obtain education to improve his practice and willingness to cease and desist from practicing
7 outside of his area of expertise.

8 ORDER

9 In stipulating to this order of discipline, the Board considers its obligations to fairly and
10 consistently administer discipline, its burden to protect the public welfare and safety by ensuring the
11 Respondent performs all work in compliance with USPAP, as well as all aggravating and mitigating
12 factors presented by the parties. Based on the foregoing Findings of Fact and Conclusions of Law, the
13 parties hereby stipulate to the following order:

14 7. The Respondent's Certificate No. 30809 shall be restricted to scope of practice of a
15 Certified Residential Appraiser for 24 months beginning the effective date of this Order or until he has:

- 16 a) successfully completed a minimum of 80 hours in qualifying education courses (with
17 exams) in Advanced Applications and Highest and Best Use and to submit proof of
18 completion of successful completion of two course previously : Appraisal Procedures
19 and Report Writing;
- 20 b) significantly contributed to 25 reports under the tutelage of a Certified General Appraiser
21 who shall serve as the Respondent's mentor, and
- 22 c) demonstrated resolution of the problems resulting in this complaint, whichever is later.
23 This restriction does not apply to demonstration reports. Demonstration reports are
24 defined for the purposes of this consent as "fictional" appraisal assignment, which may
25 be performed by the Respondent for peer review and acceptance to professional
26 organizations or to the Board to demonstrate an improvement in practice. Such reports

1 may never be issued to the public, intended users or clients.

2 8. Courses taken may be utilized to satisfy continuing education requirements. The
3 education courses and exams must be completed before the Respondent begins his mentorship. The
4 Respondent will be credited with completion of Appraisal Procedures and Report writing course
5 previously completed when he sends his certificates of successful completion to the Board.

6 9. During the probationary period, the Respondent shall not accept or issue a verbal or
7 written appraisal, appraisal review, or consulting assignment involving commercial income producing
8 properties He may work as a trainee with a Mentor on such assignments. Each report shall be
9 accepted, performed, approved, issued and signed by the Mentor. The Respondent's significant
10 contributions shall be noted in the addenda if significant. The Respondent shall bear all costs and
11 expenses associated with her mentorship and incurred in attending the courses.

12 10. The Mentor will submit monthly reports for each calendar month during
13 probation, reflecting the quantity and quality of the Respondent's contributions, including, but not
14 limited to, improvement in the Respondent's practice and resolution of those problems that prompted
15 the above-referenced action. The Mentor's report shall be filed monthly on the 15th of each month
16 beginning the first calendar month after commencement of the mentorship, and continuing each month
17 thereafter until termination of the probationary period by the Board. If the monthly reporting date falls
18 on a Saturday, Sunday or holiday, the report is due on the next business day. The monthly report may
19 be filed by mail.

20 11. The Mentor must be approved by the Board and is subject to removal by the Board
21 for non-performance of the terms of this agreement. Any replacement Mentor is subject to the Board's
22 approval and the remaining terms of this Order.

23 12. The Respondent will file an appraisal log, on a monthly basis, listing every Arizona
24 appraisal which he has contributed within the prior calendar month by property address, appraisal type,
25 valuation date, the Mentor's review date, the date the appraisal was issued and the number of hours
26 worked on each assignment. The report log shall be filed monthly on the 15th of each month beginning

1 the first calendar month after the commencement of the mentorship, and continuing each month
2 thereafter until the Board terminates the probationary status. If the monthly log reporting date falls on
3 a Saturday, Sunday or holiday, the report log is due on the next business day. The monthly log report
4 may be filed by mail.

5 13. The Board reserves the right to audit any of the reports to which the Respondent has
6 contributed and conduct peer review, as deemed necessary.

7 14. The Respondent shall comply with the Uniform Standards of Professional
8 Appraisal Practice in contributing to all appraisals.

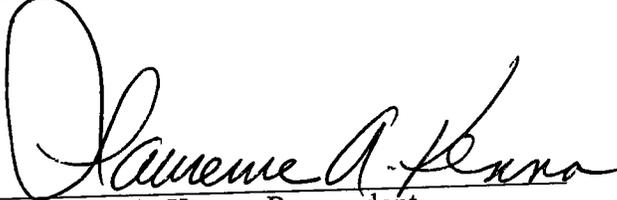
9 15. The agreement is binding upon the Respondent upon execution of the agreement. The
10 Respondent may not withdraw from the agreement. The agreement is binding upon the Board when
11 executed by the Board or its designee.

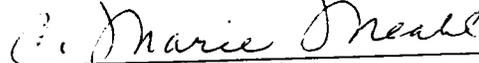
12 16. Mr. Kenna has acknowledges that he has the right to consult an attorney. Mr. Kenna
13 enters this agreement without duress and of his own free will after considering all available options.

14 17. By entering into this agreement, the parties waive all right to review or rehearing of the
15 matter including an action for judicial review

16 18. It is further agreed if the Respondent fails to comply with the terms of this Board
17 Order, his Certified General Certificate No. 30809 shall be revoked.

18 DATED this 15 day of ~~March~~, 2002
19 April

20 
21 Lawrence A. Kenna, Respondent

22 
23 C. Marie Meahl, Chairperson
24 Arizona State Board of Appraisal

25
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DATED this 22 day of ~~March~~, 2002
April

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Arizona State Board of Appraisal
1400 W. Washington, 3rd Floor
Phoenix, Arizona 85007

Copies of the foregoing sent Certified Mail
and/or personally delivered this ~~27th~~ day
of ~~March~~, 2002, to:

May
Lawrence A. Kenna
332 W. Maple Street
Winslow, AZ 86047
(1001 1140 0000 3469 2655)

Copy of the foregoing sent via interagency
mail this ~~27th~~ day of ~~March~~, 2002, to:

Michelle L. Wood
Assistant Attorney General
1275 W. Washington - CIV/LES
Phoenix, Arizona 85007

Solicitor General's Office
1275 W. Washington-CIV/SGO
Phoenix, Arizona 85007

Debb Pearson
Debb Pearson, Board Paralegal
Regulatory Compliance Administrator