

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

2  
3 In the Matter of :

Case Nos. 2159, 2161, 2163, 2165, 2167,  
2169, and 2171

4 **THOMAS A. REEB**  
5 Certified Residential Appraiser  
6 Certificate No. 20234

**CONSENT AGREEMENT AND ORDER  
OF DISCIPLINE**

7 On February 15, 2007, the Arizona Board of Appraisal ("Board") discussed Case  
8 Nos. 2159, 2161, 2163, 2165, 2167, 2169, and 2171 regarding Thomas A. Reeb  
9 ("Respondent"). After reviewing the information presented, the Board voted to offer  
10 Respondent the opportunity to enter into this Consent Agreement and Order of Discipline  
11 ("Consent Agreement").  
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13 **JURISDICTION**

14 1. The Arizona State Board of Appraisal ("Board") is the state agency  
15 authorized pursuant to A.R.S. § 32-3601 *et seq.*, and the rules promulgated thereunder,  
16 found in the Arizona Administrative Code ("A.A.C." or "rules") at R4-46-101 *et seq.*, to  
17 regulate and control the licensing and certification of real property appraisers in the State  
18 of Arizona.

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20 2. Respondent is a Certified Residential Appraiser in the State of Arizona,  
21 holder of Certificate No. 20234, issued on August 15, 1991, pursuant to A.R.S. § 32-  
22 3612.  
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1 **FINDINGS OF FACT**

2 **Case No. 2159**

3 1. This case involves the appraisal of property located at 1440 North  
4 Thomason Avenue in Ajo, Arizona, with an effective date of December 21, 2005.

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6 2. The workfile did not contain Marshall and Swift cost data in support of the  
7 cost approach in the report. The site sales data in the workfile shows that this data was  
8 added after the date of the report. There is no support in the workfile for the statement in  
9 the report that “remaining economic life = 40 years” or “depreciation is based on age life  
10 method.”

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12 3. The appraisal report failed to disclose that the subject had a concrete pond  
13 on the north side, that the carport was enclosed with a wall ac/heat unit, or that the utility  
14 room in the rear was an addition.

15 4. The appraisal report failed to disclose and/or adequately adjust for relevant  
16 features in sales used as comparables.

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18 5. The appraisal report contained the wrong picture for the sale used as  
19 comparable 2.

20 **Case No. 2161**

21 6. This case involves the appraisal of property located at 10625 South Nogales  
22 Highway in Tucson, Arizona, with an effective date of March 21, 2006.

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24 7. There was no supporting data in the workfile for site value. The lot and  
25 land CMA were added after the date of the report. There was no data on the cost  
26 approach in the workfile.







**Case No. 2169**

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2           30.    This case involves the appraisal of property located at 1063 Brazo Court in  
3 Rio Rico, Arizona, with an effective date of January 3, 2006.

4           31.    The workfile did not contain Marshall and Swift cost data in support of the  
5 cost approach. There was no supporting data in the workfile for the Respondent's  
6 conclusions regarding the remaining economic life of the subject of Respondent's  
7 statement that depreciation was based on the age life method. There was insufficient  
8 support and analysis in the workfile to support Respondent's site value conclusion.

9           32.    Respondent failed to adequately disclose and/or adequately adjust for  
10 relevant features of sales used as comparables.

11           33.    The sale used as comparable 5 had substantial features not disclosed in the  
12 report and was located in the wrong location on the sales map. This demonstrates that  
13 Respondent did not inspect this sale as per the certification and scope of work.

14           34.    The sale used as comparable 4, a two bedroom home with a den/office, was  
15 adjusted for lack of a third bedroom. Sale No. 5 was also a two bedroom home with a  
16 den/office, but it was not reported as such and was not adjusted like the sale used as  
17 comparable 4.

**Case No. 2171**

18           35.    This case involves the review of an appraisal of property located at 11201  
19 North Anway Road in Marana, Arizona, with a report date of December 19, 2005.  
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1           4.       The conduct described above in relation to Case No. 2163 constitutes  
2 violations of the following provisions of the USPAP, 2005 edition: Ethics Rule – Record  
3 Keeping Section; Standards Rule 1-1(a); Standards Rule 1-1(b); Standards Rule 1-  
4 2(c)(iv); Standards Rule 1-3; and Standards Rule 1-4(b); Standards Rule 2-1(a);  
5 Standards Rule 2-2(b)(ix); and Supplemental Standards Rule.  
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7           5.       The conduct described above in relation to Case No. 2165 constitutes  
8 violations of the following provisions of the USPAP, 2005 edition: Ethics Rule – Record  
9 Keeping; Standards Rule 1-1(a); Standards Rule 1-1(b); Standards Rule 1-4(b); Standards  
10 Rule 2-1(a); and Standards Rule 2-2(b)(ix).  
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12           6.       The conduct described above in relation to Case No. 2167 constitutes  
13 violations of the following provisions of the USPAP, 2005 edition: Ethics Rule – Record  
14 Keeping; Standards Rule 1-1(a); Standards Rule 1-1(b); Standards Rule 1-3; Standards  
15 Rule 1-4(b); Standards Rule 2-1(a); and Standards Rule 2-2(b)(ix).  
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17           7.       The conduct described above in relation to Case No. 2169 constitutes  
18 violations of the following provisions of the USPAP, 2005 edition: Ethics Rule – Record  
19 Keeping; Standards Rule 1-1(a); Standards Rule 1-1(b); Standards Rule 1-3; Standards  
20 Rule 1-4(b); Standards Rule 2-1(a); Supplemental Standards Rule.  
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22           8.       The conduct described above in relation to Case No. 2171 constitutes  
23 violations of the following provisions of the USPAP, 2005 edition: Ethics Rule – Record  
24 Keeping Section; Standards Rule 3-1(c); and Standards Rule 3-2(c).  
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1 ORDER

2 Based upon the foregoing Findings of Fact and Conclusions of Law, the parties  
3 agree to the following:

4 1. Beginning on the effective date of this Consent Agreement,  
5 Respondent's License No. 20234 shall be placed on probation for a minimum of one  
6 (1) year. During the term of probation, Respondent shall: (a) demonstrate resolution  
7 of the problems that resulted in this disciplinary action; and (b) otherwise comply with  
8 the terms of this Consent Agreement.

9 2. Respondent shall successfully complete the following education within  
10 **one (1) year** of the effective date of this Consent Agreement: the 15 hour qualifying  
11 (with a test) USPAP course. Within three (3) weeks after completion of the course,  
12 Respondent must submit proof of successful completion to the Board.

13 3. The education required under paragraph 2 may not be counted toward  
14 the continuing education requirements for the renewal of Respondent's certificate.

15 4. Respondent shall bear all costs and expenses incurred in attending the  
16 course.

17 5. The Respondent shall file an appraisal log with the Board on a monthly  
18 basis listing every Arizona appraisal and appraisal review that he has completed  
19 within the prior calendar month by property address, appraisal type, valuation date,  
20 the date the appraisal was issued, and the number of hours worked on each  
21 assignment. The report log shall be filed monthly beginning the 15<sup>th</sup> day of the first  
22 month following the start of Respondent's probationary period and continuing each  
23 month thereafter until the Board terminates the probation. If the log reporting date  
24 falls on a Saturday, Sunday, or holiday, the report log is due on the next business day.

25 **Even if Respondent performs no appraisals within a given month, he must still**  
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1 **file an appraisal log with the Board showing that no appraisals were performed.**

2 The monthly log report may be field by mail or facsimile.

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

9 7. Respondent's probation shall continue until: (a) Respondent petitions  
10 the Board for termination as provided in paragraph 8, and (b) the Board terminates the  
11 probation. Upon petition by the Respondent for termination of the probation, the  
12 Board will select and audit 3 of Respondent's appraisal reports.

13 8. At the end of **one (1) year** from the effective date of this Consent  
14 Agreement, the Respondent must petition the Board for termination of his probation.  
15 If the Board determines that Respondent has not complied with **all** the requirements of  
16 this Consent Agreement, the Board, at its sole discretion, may either: (a) continue the  
17 probation; or (b) institute proceedings for noncompliance with this Consent  
18 Agreement, which may result in suspension, revocation, or other disciplinary and/or  
19 remedial action.

20 9. Respondent shall not act as a supervising appraiser for other appraisers or  
21 trainees, nor shall he act as a mentor, during the term of the probation. Respondent shall  
22 also not teach any course related to real estate appraisals during the term of the probation.

23 10. Respondent shall comply with the Uniform Standards of Professional  
24 Appraisal Practice in performing all appraisals.  
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1           11. If, between the effective date of this Consent Agreement and the  
2 termination of Respondent's probation by the Board, Respondent fails to renew his  
3 license while under this Consent Agreement and subsequently applies for a license or  
4 certificate, the remaining terms of this Consent Agreement, including probation and  
5 mentorship, shall be imposed if the application for license or certificate is granted.

6           12. Respondent has read and understands this Consent Agreement as set  
7 forth herein, and has had the opportunity to discuss this Consent Agreement with an  
8 attorney or has waived the opportunity to discuss this Consent Agreement with an  
9 attorney. Respondent voluntarily enters into this Consent Agreement for the purpose  
10 of avoiding the expense and uncertainty of an administrative hearing.

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

19           14. Respondent understands that his Consent Agreement, or any part  
20 thereof, may be considered in any future disciplinary action against him.

21           15. The parties agree that this Consent Agreement constitutes final  
22 resolution of this disciplinary matter.

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

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

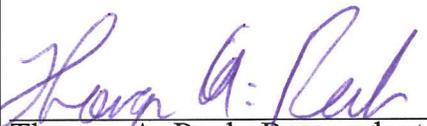
6 18. Respondent understands that this Consent Agreement does not constitute  
7 a dismissal or resolution of other matters currently pending before the Board, if any,  
8 and does not constitute any waiver, express or implied, of the Board's statutory  
9 authority or jurisdiction regard any other pending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

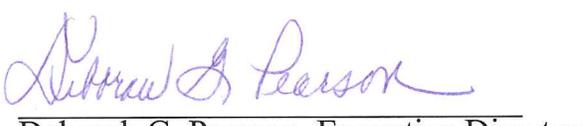
14 19. Respondent understands that the foregoing Consent Agreement shall not  
15 become effective unless and until adopted by the Board of Appraisal and executed on  
16 behalf of the Board. Any modification to this original document is ineffective and  
17 void unless mutually approved by the parties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

18 20. Respondent understands that this Consent Agreement is a public record  
19 that may be publicly disseminated as a formal action of the Board.

20 21. Pursuant to the Board's Substantive Policy Statement #1, the Board  
21 considers this violation to amount to a Level III Violation.

22 DATED this 11<sup>th</sup> day of May, 2007.

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Thomas A. Reeb, Respondent

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Deborah G. Pearson, Executive Director  
Arizona Board of Appraisal

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**ORIGINAL** of the foregoing filed  
this 11<sup>th</sup> day of ~~April~~, 2007 with:

*May*  
Arizona Board of Appraisal  
1400 West Washington Street, Suite 360  
Phoenix, Arizona 85007

**COPY** of the foregoing mailed regular and U.S.  
Certified Mail # 7005 1820 0000 5286 8525  
this 11<sup>th</sup> day of ~~April~~, 2007 to:

*May*  
Thomas A. Reeb  
5675 N. Oracle Road, Suite 3101  
Tucson, Arizona 85704  
Respondent

**COPY** of the foregoing sent or delivered  
this 11<sup>th</sup> day of ~~April~~, 2007 to:

~~Elizabeth A. Campbell~~ *Dawn Walton Lee*  
Assistant Attorney General  
Arizona Attorney General's Office  
1275 West Washington, CIV/LES  
Phoenix, Arizona 85007

By: *Sharon H. Pearson*  
#492760