

1 FINDINGS OF FACT

2 On or about October 7, 2011, the Board’s investigation revealed the following:

3 1. This matter deals with an appraisal conducted and report written by
4 Respondent of vacant land located at 6400 W. Gold Mountain Pass, Glendale, AZ 85083
5 with an effective date of value of April 9, 2011.

6 2. At the time of the appraisal, the subject was under contract but the
7 Respondent failed to analyze the contract.

8 3. In the Neighborhood Section of the appraisal report, Respondent states that
9 the property values are “declining” however there was no corresponding time adjustment
10 for comparable sale no. 3 which had sold previously.

11 4. Respondent incorrectly noted that the subject was on a corner. Similarly,
12 Respondent noted that the subject was on a public street but in fact, it was on a private
13 street.

14 5. Respondent failed to maintain a complete and signed copy of the appraisal
15 report in the workfile nor was there a certification as part of the appraisal report.

16 6. Respondent also failed to include a reconciliation of the approaches as part
17 of the appraisal report.

18 CONCLUSIONS OF LAW

19 1. Pursuant to A.R.S. § 32-3635, a certified or licensed appraiser in the State
20 of Arizona must comply with the standards of practice adopted by the Board. The
21 Standards of Practice adopted by the Board are codified in the USPAP edition applicable
22 at the time of the appraisal.

23 The conduct described above constitutes violations of the following provisions of
24 the USPAP, 2010-2011 edition:

25 **Standards Rule 1-2(e); Standards Rule 1-5(a); Standards Rule 1-6(a) and (b);**
26 **Standards Rule 2-3; and Standard Ethics Rule---Recordkeeping**

1 **ORDER**

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

4 1. **Upon the effective date of this Consent Agreement, Respondent's**
5 **License as a Licensed Residential Appraiser shall be placed on probation for a**
6 **minimum period of six (6) months.** During probation, Respondent shall comply with
7 USPAP, Arizona Revised Statutes and Appraisal Board rules.

8 2. Respondent shall successfully complete the following education within six
9 **(6) months** of the effective date of this Consent Agreement: **Fifteen (15) hours of**
10 **Report Writing (with an exam); seven (7) hours of Site Evaluations; and the seven**
11 **(7) hour 2012-2013 USPAP Update course. (The USPAP Update course is to be**
12 **taken within six (6) months of its availability).** The education under this paragraph
13 **may not** be counted toward the continuing education requirements for the renewal of
14 Respondent's certificate **except that the 2012-2013 USPAP Update course may be**
15 **counted toward Respondent's continuing education requirements for his renewal.**
16 **The coursework, except the 2012-2013 USPAP Update may be completed through**
17 **distance education.** The same class may not be repeated to fulfill the education
18 requirements of this Consent Agreement

19 3. Proof of completion of the required education must be submitted to the
20 Board within 3 weeks of completion of the required course.

21 4. During the term of probation, Respondent shall: (a) demonstrate resolution
22 of the problems that resulted in this disciplinary action; and (b) otherwise comply with
23 the terms of this Consent Agreement.

24 5. During the period of probation, Respondent shall complete a minimum of
25 **twelve (12) appraisal reports** under the supervision of an Arizona Certified Residential
26 or Certified General Appraiser who shall serve as Respondent's mentor ("Mentor").

1 6. During the probationary period, the Respondent shall not issue a verbal or
2 written appraisal, appraisal review, or consulting assignment without prior review and
3 approval by a Mentor. Each report shall **either** be signed by the Mentor as a supervisory
4 appraiser **or** the Mentor must complete a written review of each report ensuring that the
5 report complies with USPAP and the Board's statutes and rules. The Mentor's review
6 shall comply with the requirements of Standard 3 of the USPAP. The Mentor's Standard
7 3 review shall be completed before the report is issued to the client. Any changes the
8 Mentor requires to ensure the report complies with the USPAP shall be completed by the
9 Respondent and approved by the Mentor before the report is issued. The Mentor's written
10 Standard 3 review shall be maintained by the Mentor and made available to the Board
11 upon request.

12 7. The Mentor must be approved by the Board and is subject to removal by
13 the Board for nonperformance of the terms of this Consent Agreement. The Mentor may
14 not have a business relationship with Respondent except for the Mentor/Mentee
15 relationship nor may the Mentor be related to Respondent. Any replacement Mentor is
16 subject to the Board's approval and the remaining terms of this Consent Agreement. The
17 Board's Executive Director may give temporary approval of the Mentor until the next
18 regular meeting of the Board.

19 8. Not more than **30 days** after the effective date of this Consent Agreement,
20 Respondent shall submit to the Board the name and resume of an Arizona Certified
21 Residential or Arizona Certified General Appraiser who is willing to serve as
22 Respondent's Mentor together with a letter from the potential Mentor agreeing to serve as
23 Respondent's Mentor. If requested by Board staff, Respondent shall continue to submit
24 names, resumes, and letters agreeing to serve as Mentor until a Mentor is approved by the
25 Board. Any Mentor must be approved in writing by the Board.

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1 9. Respondent shall bear all costs and expenses associated with the
2 mentorship and incurred by attending the course(s).

3 10. The Mentor shall submit monthly reports to the Board for each calendar
4 month during Respondent's probationary period reflecting the quantity and quality of
5 Respondent's work, including, but not limited to, improvement in Respondent's practice
6 and resolution of those problems that prompted this action. The Mentor's report shall be
7 filed monthly beginning the 15th day of the first month following the start of
8 Respondent's probationary period and continuing each month thereafter until termination
9 of the probationary period by the Board. **Even if the Mentor reviews no appraisals**
10 **during a given month, a report stating that no appraisals were reviewed or**
11 **approved must be submitted. It is the Respondent's responsibility to ensure that the**
12 **Mentor submits his/her reports monthly.** If the monthly reporting date falls on a
13 Saturday, Sunday, or holiday, the report is due on the next business day. The monthly
14 report may be filed by mail or facsimile.

15 11. The Respondent shall file an appraisal log with the Board on a monthly
16 basis listing every Arizona appraisal that he has completed within the prior calendar
17 month by property address, appraisal type, valuation date, the Mentor's review date, the
18 date the appraisal was issued, and the number of hours worked on each assignment. The
19 report log shall be filed monthly beginning the 15th day of the first month following the
20 start of Respondent's probationary period and continuing each month thereafter until the
21 Board terminates the probation. If the log reporting date falls on a Saturday, Sunday, or
22 holiday, the report log is due on the next business day. **Even if Respondent performs**
23 **no appraisals within a given month, he must still file an appraisal log with the Board**
24 **showing that no appraisals were performed.** The monthly log report may be filed by
25 mail or facsimile.

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

6 13. Respondent's probation, including mentorship, shall continue until: (a)
7 Respondent petitions the Board for termination as provided in paragraph 14, and (b) the
8 Board terminates the probation and mentorship. Upon petition by the Respondent for
9 termination of the probation and mentorship, the Board will select and audit 3 of
10 Respondent's appraisal reports.

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

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

21 16. Respondent shall comply with the Uniform Standards of Professional
22 Appraisal Practice in performing all appraisals and all Board statutes and rules.

23 17. If, between the effective date of this Consent Agreement and the
24 termination of Respondent's probation by the Board, Respondent fails to renew his
25 license while under this Consent Agreement and subsequently applies for a license or
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1 certificate, the remaining terms of this Consent Agreement, including probation and
2 mentorship, shall be imposed if the application for license or certificate is granted.

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

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

16 20. Respondent understands that this Consent Agreement, or any part thereof,
17 may be considered in any future disciplinary action against him.

18 21. The parties agree that this Consent Agreement constitutes final resolution
19 of this disciplinary matter.

20 22. Time is of the essence with regard to this agreement.

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

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

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

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

17 27. Pursuant to the Board's Substantive Policy Statement #1, the Board
18 considers the violations in the above-referenced matter to constitute to a **Level III**

19 **Violation.**

20 DATED this 14 day of December, 2011.
17 day of NOVEMBER, 2011.

21
22 Thomas B. Sheehy
23 Thomas B. Sheehy
24 Respondent

21
22 Dan Pietropaulo
23 Dan Pietropaulo
24 Executive Director
Arizona Board of Appraisal

25 **ORIGINAL** of the foregoing filed
26 this 14 day of December, 2011 with:

Arizona Board of Appraisal
1400 West Washington Street, Suite 360

1 Phoenix, Arizona 85007

2 **COPY** of the foregoing mailed regular
and certified mail 7009 1680 0000 7387 1566
3 this 14 day of December, 2011 to:

4 Thomas B. Sheehy
12801 N. 39th Way
5 Phoenix, AZ 85032

6 **COPY** of the foregoing sent or delivered
7 this 14 day of December, 2011 to:

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

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By: 

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Rebecca M. Loar
Regulatory Compliance Officer