

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of the Appraiser License  
of:

No. 21A-028-FIN

ORDER

LAURA A. FORREY  
Certified Residential Real Estate Appraiser  
License No. 22032

Respondent.

On September 3, 2021, the Office of Administrative Hearings, through Administrative Law Judge Tammy L. Eigenheer, issued an Administrative Law Judge Decision ("Recommended Decision"). The Director of the Arizona Department of Insurance and Financial Institutions ("Director") received the Recommended Decision on the same date, a copy of which is attached and incorporated by reference. The Director has reviewed the Recommended Decision and enters the following:

1. The Director ADOPTS the Recommended Findings of Fact.
2. The Director ADOPTS the Recommended Conclusions of Law, except to correct the following:
  - a. Page 4, line 6, should read, "A. The **superintendent** ... may revoke or suspend the rights of a license or certificate holder or"
  - b. Page 4, lines 9 and 10 should read, "8. Wilfully disregarding or violating any provisions of this chapter or **an** order or the rules of the **superintendent** for the administration and"
3. The Director ADOPTS the Recommended Order and ORDERS the following:
  - a. LAURA A. FORREY'S certified residential real estate appraiser license, number 22032, is revoked effective immediately.

1 b. LAURA A. FORREY to pay a civil money penalty in the amount of three thousand  
2 dollars (\$3,000.00) for the deposit in the Department's revolving fund.

3 **NOTIFICATION OF RIGHTS**

4 Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Respondent may  
5 request a rehearing or review with respect to this Order by filing a written motion with the  
6 Director within 30 days after the date of this Order, setting forth the basis for relief under  
7 Arizona Administrative Code R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not  
8 necessary to request a rehearing before filing an appeal to the Superior Court.

9 Respondent may appeal the final decision of the Director to the Superior Court of  
10 Maricopa County for judicial review, pursuant to A.R.S. § 6-139. A party filing an appeal  
11 must notify the Office of Administrative Hearings of the appeal within ten days after filing the  
12 complaint commencing the appeal, pursuant A.R.S. § 12-904(B).

13 DATED this 9th day of September, 2021.

14 

15 \_\_\_\_\_  
16 Evan G. Daniels, Director  
17 Arizona Department of Insurance and  
18 Financial Institutions

19  
20  
21  
22  
23 **COPY** of the foregoing electronically transmitted  
this 14th day of September, 2021, to:

24 Tammy L. Eigenheer, Administrative Law Judge  
25 Office of Administrative Hearings  
26 <https://portal.azoah.com/submission>

1 **COPY** of the foregoing mailed by U.S. Certified Mail,  
2 Electronic Receipt Requested, same date to:

3 Laura A. Forrey  
4 4281 N. Luna De Oro Place 9489 0090 0027 6265 2269 46  
5 Tucson, AZ 85749  
6 Respondent

7 Laura A. Forrey  
8 5755 E. Burns St. 9489 0090 0027 6265 2269 53  
9 Tucson, AZ 85711  
10 Respondent

11 **COPY** of the foregoing electronically delivered same date to:

12 Deian Ousounov, Regulatory Legal Affairs Officer  
13 Ana Starcevic, Paralegal Project Specialist  
14 Tammy Seto, Financial Services Division Manager  
15 Steven Fromholtz, Division Manager  
16 Linda Lutz, Legal Assistant  
17 Arizona Department of Insurance and Financial Institutions  
18 100 North 15th Avenue, Suite 261  
19 Phoenix, Arizona 85007

20 **COPY** sent same date via electronic mail to:

21 Laura A. Forrey  
22 [lauraforrey@gmail.com](mailto:lauraforrey@gmail.com)  
23 Respondent

24 Eric Schwarz, Assistant Attorney General  
25 [Eric.Schwarz@azag.gov](mailto:Eric.Schwarz@azag.gov)  
26 Attorney for the Arizona Department of Insurance and Financial Institutions

*Ana Starcevic*  
\_\_\_\_\_

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of:

No. 21A-028-FIN

Laura A. Forrey  
Respondent

ADMINISTRATIVE LAW JUDGE  
DECISION

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**HEARING:** August 18, 2021

**APPEARANCES:** The Arizona Department of Insurance and Financial Institutions was represented by Assistant Attorney General Eric Schwarz. Respondent Laura A. Forrey did not appear.

**ADMINISTRATIVE LAW JUDGE:** Tammy L. Eigenheer

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**FINDINGS OF FACT**

1. The Arizona Department of Insurance and Financial Institutions (Department) has been authorized and entrusted by the Arizona legislature to regulate the appraisal profession in the State of Arizona by issuing licenses, investigating complaints, and disciplining licensees.

2. In October 2008, Respondent Laura A. Forrey was issued a Certified Residential Real Estate Appraiser License No. 22032. That certificate expired on October 31, 2020. Respondent did not file an application for renewal of her appraiser license with the Department.

3. Summit Funding, Inc. (Summit) is an Arizona licensed mortgage banker.

4. Prior to October 31, 2020, Respondent performed real estate appraisal activities in Arizona for Summit over the course of a number of years.

5. After October 31, 2020, Summit assigned Respondent ten separate appraisal assignments on properties located in Arizona, and Respondent accepted all ten of those appraisal assignments.

6. After October 31, 2020, Respondent engaged in real estate appraisal activities and completed ten separate appraisal reports for Summit on properties located

1 in Arizona. Respondent signed the ten reports on dates spanning from December 10,  
2 2020, to January 13, 2021, and submitted the appraisal reports to Summit.

3 7. Summit paid Respondent for the ten appraisals.

4 8. In all ten of the appraisal reports Respondent completed after October 31,  
5 2020, Respondent misrepresented that the expiration date of her appraiser license was  
6 October 31, 2022, rather than the actual expiration date of October 31, 2020.

7 9. After Summit had received all ten of the appraisal reports completed after  
8 October 31, 2020, Summit learned that Respondent's appraiser license had expired on  
9 October 31, 2020. Summit then reviewed its records and discovered that Respondent  
10 had accepted, completed, and signed all ten of the appraisal reports at issue after her  
11 appraisal license had expired.

12 10. On or about February 19, 2021, Summit's Appraisal Department Manager  
13 Katie Mason filed a complaint against Respondent with the Department regarding these  
14 ten appraisal reports. In the complaint, Ms. Mason wrote, in pertinent part: "[Respondent]  
15 [c]ompleted 10 appraisals while unlicensed, signed certification with expiration year 2022  
16 when license expired 2020 and was not renewed or reinstated."

17 11. Ms. Mason submitted a copy of one of the ten appraisals at issue to the  
18 Department with the complaint and subsequently provided the Department with the nine  
19 other appraisal reports.

20 12. On or about February 26, 2021, while the Department was investigating the  
21 complaint, the Department reached out to Respondent and requested that she respond  
22 in writing to the allegations in the complaint no later than March 8, 2021.

23 13. Respondent did not respond to the request.

24 14. Upon its completion of the investigation of the complaint, the Department  
25 concluded that Respondent committed violations of the Uniform Standards of  
26 Professional Appraisal Practice (USPAP) in falsifying the expiration date of her appraiser  
27 license on ten separate appraisal reports.

28 15. The Department referred the matter to the Office of Administrative Hearings  
29 (OAH), an independent agency, for an evidentiary hearing.  
30

1           16. On or about June 25, 2021, the Department issued a Notice of Hearing,  
2 setting the administrative hearing for 9:00 a.m. on August 18, 2021, and charging that  
3 cause existed to revoke Respondent's real estate appraiser's license under A.R.S. § 32-  
4 3631(A)(8).

5           17. The Complaint and Notice of Hearing was sent to Respondent via certified  
6 mail to her most recent addresses of record and emailed to her address of record.

7           18. Respondent did not appear personally or through an attorney at the duly  
8 noticed hearing, did not request to appear telephonically, and did not contact OAH to  
9 request a continuance or that the time for the hearing be delayed. Accordingly,  
10 Respondent did not present any evidence to defend her license.

11           19. The Department presented the testimony of Ms. Mason and Nancy Inserra,  
12 Regulatory Compliance Officer with the Department, and submitted 14 exhibits.

13           20. Ms. Inserra testified that Arizona adopted the USPAP Standards, which  
14 means that a violation of the USPAP is a violation of Arizona statute.

15           21. The USPAP ethics rule states that "[a]n appraiser must promote and  
16 preserve the public trust inherent in appraisal practice by observing the highest standards  
17 of professional ethics."

### CONCLUSIONS OF LAW

18           1. The Notice of Hearing that the Department mailed to Respondent at her  
19 address and email address of record was reasonable and she is deemed to have received  
20 notice of the hearing.<sup>1</sup>

21           2. The Department has the authority and duty to regulate all persons engaged  
22 in the activities of real estate appraisal and with the enforcement of statutes, rules, and  
23 regulations relating to real estate appraisals.<sup>2</sup> This matter lies within the Department's  
24 jurisdiction.

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29 <sup>1</sup> A.R.S. §§ 41-1092.04; 41-1092.05(D).

<sup>2</sup> A.R.S. § 32-3601 *et seq.*

1           3.     The Department bears the burden of proof to establish Respondent's  
2 statutory violation by a preponderance of the evidence.<sup>3</sup> "A preponderance of the evidence  
3 is such proof as convinces the trier of fact that the contention is more probably true than  
4 not."<sup>4</sup>

5           4.     A.R.S. § 32-3631(A) provides, in pertinent part, as follows:

6           A.     The board . . . may revoke or suspend the rights of a license or certificate  
7 holder or otherwise discipline a registered trainee appraiser or a state  
8 licensed or state certified appraiser for any of the following acts or  
9 omissions:

10           . . . .  
11           8.     Wilfully disregarding or violating any of the provisions of this chapter or  
12 a board order or the rules of the board for the administration and  
13 enforcement of this chapter.

14           5.     A.R.S. § 32-3619(D) provides as follows:

15           An appraiser or registered trainee appraiser shall not engage in, advertise  
16 or purport to engage in real estate appraisal activity in this state after a  
17 license or certificate has expired and before the renewal of the expired  
18 license or certificate except as provided in section 41-1092.11

19           6.     A.R.S. § 32-3635(A) requires that an appraiser "shall comply with the  
20 standards of professional appraisal practice."

21           7.     The Department established that Respondent willfully misrepresented the  
22 expiration date of her license on ten appraisal reports she completed after her license  
23 expired on October 31, 2020. Therefore, the Department established grounds to  
24 discipline Respondent's real estate appraiser's license under A.R.S. § 32-3631(A)(8).

25           8.     With respect to the penalty, Respondent's complete failure to respond to  
26 any communication from the Department relating to this matter evidenced a total  
27 disregard for regulatory requirements. This, together with her failure to appear at the duly  
28 noticed hearing, establish that she cannot be regulated at this time.

29           9.     A.R.S. § 32-3631 provides, in pertinent part, as follows:

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<sup>3</sup> A.R.S. § 41-1092.07(G)(1); A.A.C. R2-19-119; see also *Vazanno v. Superior Court*, 74 Ariz. 369, 372, 249 P.2d 837 (1952).

<sup>4</sup> *Morris K. Udall*, ARIZONA LAW OF EVIDENCE § 5 (1960).

1 E. If the superintendent determines that a state-licensed or state-certified  
2 appraiser is in violation of this chapter, the superintendent may take  
3 disciplinary or remedial action and may impose a civil penalty not to exceed  
4 three thousand dollars per complaint filed with the superintendent pursuant  
5 to this chapter.

6 10. In the instant matter, the Department received one complaint regarding  
7 Respondent's conduct. While Respondent's conduct may be considered to constitute ten  
8 violations of A.R.S. § 32-3619(D) and ten violations of A.R.S. § 32-3635(A), civil penalties  
9 are limited to \$3,000.00 per complaint.

10 11. The Administrative Law Judge concludes a \$3,000.00 civil penalty is  
11 appropriate in this matter.

12 **RECOMMENDED ORDER**

13 Based on the foregoing,

14 **IT IS ORDERED** that on the effective date of the final order in this matter,  
15 Respondent Laura A. Forrey's Certified Residential Real Estate Appraiser License No.  
16 22032 shall be revoked.

17 **IT IS FURTHER ORDERED** that the Department require Respondent Laura A.  
18 Forrey to pay the sum of \$3,000.00 as a civil penalty pursuant to A.R.S. § 32-3631.

19 *In the event of certification of the Administrative Law Judge Decision by the*  
20 *Director of the Office of Administrative Hearings, the effective date of the Order will be*  
21 *five days from the date of that certification.*

22 Done this day, September 3, 2021.

23 /s/ Tammy L. Eigenheer  
24 Administrative Law Judge

25 Transmitted electronically to:

26 Evan G. Daniels,  
27 Department of Insurance and Financial Institutions - Financial