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**STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE**

In the Matter of the Real Property Appraiser License of Michael T. Heffernan.  
License No. 20360600

**CONSENT ORDER**

TO: Michael T. Heffernan  
893 County Road C2 W  
Roseville, MN 55113

Commissioner of Commerce Grace Arnold (Commissioner) has determined as follows:

1. The Commissioner has advised Michael T. Heffernan (Respondent) that she is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2020), and other applicable law, based on the following allegations in an appraisal report completed in Coon Rapids, Minnesota:

- a. Respondents' appraisal report was not credible because of significant errors that affected the results of this appraisal and a series of errors that, although individually might not significantly affect the results of an appraisal in the aggregate affects the credibility of those results. Respondent is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP) Standard Rule (SR) 1-1 (b)(c) (2020) and Minn. Stat. § 82B.195 subd. 3 (1)(i) and Minn. Stat. § 82B.20 subd. 2 (7)(13) (2020).
- b. Respondent failed to properly analyze the sales contract. He failed to report that the subject has a working well that was disclosed in the purchase agreement in violation of the USPAP SR 1-5 (a) (2020) and Minn. Stat. § 82B.20 subd. 2 (7) (2020).
- c. Respondent failed to provide a credible opinion of value because of his misleading sales comparison approach to value which included inaccurately describing and analyzing the subject's market area having increasing values and failing to properly consider the market appeal of the subject upgrades. Respondent failed to comment on why adjustments were not made for differences in site size and quality. Respondent

failed to make a condition adjustment to an estate sale that required upgrading. Respondent provided misleading adjustments for above grade bathroom counts, basement amounts, basement finishing amounts, basement walkouts, basement room counts and for Porch/Patio/Deck adjustments. In addition, Respondent provided an incorrect floor plan drawing because of not properly applying his field notes. Failure to provide a credible sales comparison approach to value is in violation of USPAP SR 1-4 (a), 2-1 (a), 2-2 (a) (x)(1)(5) (2020) and Minn. Stat. § 82B.195 subd. 3 (1)(viii) (2020) and Minn. Stat § 82B:20 subd. 2 (7)(13) (2020).

d. Respondent failed to provide a work file that supported his opinions and conclusions in violation of USPAP Record Keeping Rule (2018) (2020) and Minn. Stat. § 82B.071 subd. 2 (2020).

2. Respondent acknowledges that they have been advised of the right to a hearing in this matter, to present argument to the Commissioner, and to appeal from any adverse determination after a hearing. Respondent hereby expressly waives those rights. Respondent further acknowledges that they have been represented by legal counsel throughout these proceedings or has waived that right.

3. Respondent has agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2020) and Minn. R. 1400.5900 (2019).

4. For purposes of Minn. Stat. § 16D.17 (2020), Respondent expressly waives the right to any notice or opportunity for a hearing on any civil penalty imposed by the Commissioner. Further, Minn. Stat. § 16D.17 (2020) allows the Commissioner to file and enforce the civil penalty imposed by this Order as a judgment against Respondent in district court without further notice or additional proceedings.

5. The civil penalty and/or any resulting judgment arising from this Order will be non-dischargeable in any bankruptcy proceeding. See 11 U.S.C. 523 (a)(7) (2018) ("A discharge under section 727, 1141, 1228(a), 1228(b) or 1328(b) of this title does not discharge an individual debtor from any debt...

to the extent such debt is for a fine, penalty, or forfeiture payable to and for the benefit of a governmental unit, and is not compensation for actual pecuniary loss, other than a tax penalty...”).

6. The following Order is in the public interest.

**NOW, THEREFORE, IT IS HEREBY ORDERED**, pursuant to Minn. Stat. Ch. 45 (2020) that:

A. Respondent shall pay a civil penalty in the amount of \$1,000 to the State of Minnesota.

Commissioner has stayed \$1,000 of this penalty. Respondent must pay \$0 at the time the Consent to Entry of Order is signed. The stayed portion of the civil penalty may be lifted if Respondent commits further violations of any law, rule or order related to the duties and responsibilities entrusted to the Commissioner. If the Commissioner determines that Respondent has committed further violations of any law, rule, or order over which the Commissioner has authority, the stay shall be lifted and the say portion of the penalty shall become effective in addition to any additional administrative action the Commissioner deems appropriate for the new violation(s). If the Commissioner seeks to lift the stay, Respondent may request a hearing to challenge the factual basis for lifting the stay buy may not challenge the amount of the stayed penalty. If the stay has not been lifted by December 1, 2022, the stayed portion of the civil penalty will be vacated.

B. Respondent to complete the following corrective education courses provided by the Appraisal Foundation. These courses must be completed within ninety days of the effective date of this order;

- a. Sales Comparison Approach Reconciliation; and
- b. Missing Explanations.

These courses cannot be used towards Respondents continuing education credits. Course completion certificates must be supplied to the Department within 30 days of completing and passing course requirements;

C. Respondent shall cease and desist from violating any laws, rules, or orders related to the duties and responsibilities entrusted to the Commissioner under Minnesota Statute Chapters 45 and 82B; and

D. Respondent shall pay all investigative costs in the amount of \$270.00 at the time the Consent to Entry of Order is signed pursuant to Minn. Stat. § 45.027, subd. 1(8) (2020).

This Order shall be effective upon signature by or on behalf of the Commissioner.

Date: 01/07/2022

GRACE ARNOLD  
Commissioner



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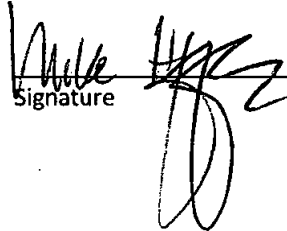
MATTHEW VATTER  
Assistant Commissioner of Enforcement  
Minnesota Department of Commerce  
85 Seventh Place East, Suite 280  
St. Paul, MN 55101  
(651) 539-1600

**CONSENT TO ENTRY OF ORDER**

The undersigned states that they have read this Consent Order; that the undersigned knows and fully understands its contents and effect; that the undersigned has been advised of the right to a hearing in this matter, to present argument to the Commissioner, and to appeal from any adverse determination after a hearing and expressly waives those rights. Respondent further acknowledges that Respondent has been represented by legal counsel throughout these proceedings or has been advised of the right to be represented by legal counsel, which right Respondent hereby expressly waives; and that Respondent consents to entry of this Order by the Commissioner. It is further understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.

Michael T. Heffernan

Date: 12-10-21

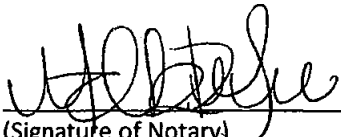
By:   
Signature

STATE OF Minnesota

COUNTY OF Ramsey

Signed or attested before me on Dec 10, 2021 (Date).

(Notary stamp)

  
(Signature of Notary)

My Commission expires:  
Jan 31, 2023

