

47953/51564/HW

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

In the Matter of the Real Property
Appraiser License of
Kent Arthur Bauer (License #20304166)

CONSENT ORDER

TO: Kent Arthur Bauer
202 N Sturgis Street
Mankato, Minnesota 56001

Commissioner of Commerce Steve Kelley (Commissioner) has determined as follows:

1. The Commissioner has advised Kent Arthur Bauer (Respondent) that he is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2018), and other applicable statutes, against Respondent's Real Property Appraiser License, based on the following allegations of violations found in a June 2017 appraisal report of a property located in Mankato, Minnesota and a March 2018 appraisal report of a property located in Madison Lake, Minnesota.

- a. While the highest and best use was correctly stated in the March 2018 report, Respondent failed to summarize the support and rationale for the highest and best use opinion in the appraisal report, in violation of the Uniform Standards of Professional Appraisal Practice (USPSP) Standard Rule (SR) 2-2 (a)(x) (2018) and Minn. Stat. § 82B.20 subd. 2 (7) (2018).
- b. Respondent developed a land value based upon the average per acre sale value, but failed to sufficiently develop a land value that took into account tillable, non-tillable and waste areas within the comparable parcels, instead basing the land values on an average of the per acre value of the land sales comparables, in

violation of USPAP SR 1-4 (a) (2018) and Minn. Stat. § 82B.195 subd. 3 (1)(vi) (2018).

- c. Respondent failed to maintain a work file sufficient to support his analysis on either of these appraisals. Failing to maintain an adequate work file is a violation of USPAP Record Keeping Rule (2018) and Minn. Stat. § 82B.071 (2018).

2. Respondent acknowledges that he has been advised of his rights 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 he has 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 (2018) and Minn. R. 1400.5900 (2017).

4. For purposes of Minn. Stat. § 16D.17 (2018), Respondent expressly waives his right to any notice or opportunity for a hearing on any civil penalty imposed by the Commissioner. Further, Minn. Stat. § 16D.17 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. § 45.027, subd. 6 (2018) that:

- A. Respondent shall pay a civil penalty of \$1,500 to the State of Minnesota;
- B. Respondent shall attend 15 hours of USPAP education classes provided by the Appraisal Foundation within 180 days of the date of this order. Respondent must provide proof of completion to the Commissioner within 30 days of course completion. Respondent may not use those hours of education toward the satisfaction of any continuing education requirements.
- C. Respondent shall cease and desist from violating any law, rule or order related to the duties and responsibilities entrusted to the Commission under Minnesota Chapters 45 and 82B; and
- D. Respondent shall pay investigative costs of \$1,000 pursuant to Minn. Stat. § 45.027, subd. 1(8) (2018).

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

Dated: _____

STEVE KELLEY
Commissioner

By: _____
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, Kent Arthur Bauer states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he has been advised of his right to a hearing in this matter, and expressly waives those rights. Respondent further acknowledges that he has been represented by legal counsel throughout these proceedings, or has been advised of his right to be represented by legal counsel, which right he hereby expressly waives; and that he 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.

Kent Arthur Bauer

By: Kent Arthur Bauer

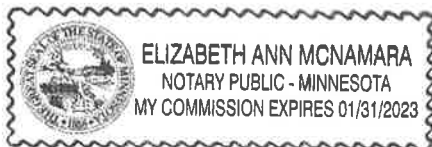
STATE OF Minnesota

COUNTY OF Nicolllet

Signed or attested before me on 10 December 19 (date)

(Notary stamp)

Elizabeth Ann McNamara
(Signature of Notary)



My Commission expires:

01/31/2023