

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

In the Matter of the Appraiser License of Justin Fingerhut
License No.: 20442703

CONSENT ORDER

TO: Justin Fingerhut
13924 West Virginia Avenue
Savage, Minnesota 55378

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

1. The Commissioner has advised Justin Fingerhut (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:

- a. Respondent incorrectly indicated the zoning of the subject property as being "R-1" when it was in fact "R-2". The correct zoning of the subject property has an expanded list of permitted uses. Because of Respondent's error, all the permitted uses could not have been considered in the highest and best use analysis. Providing an inadequate highest and best use analysis is a violation of the Uniform Standards of Professional Appraisal Practice (USPAP) Standard Rule (SR) 1-3 (a)(i), (b) (2020), Minn. Stat. § 82B.195 subd. 1., subd. 3. (1)(i), as well as Minn. Stat § 82B.20 subd. 2. (6), (7), and (13) (2020);
- b. Respondent did not provide any data, and none could be found, to support the opinion of site value indicated in the cost approach to value. Failing to provide a

supported opinion of site value for the subject property is a violation of USPAP SR 1-4 (b)(i) (2020), Minn. Stat. § 82B.195 subd. 3. (1)(viii), as well as 82B.20 subd. 2. (6), (7), and (13) (2020);

c. Respondent did not provide any data, and none could be found, to support the cost new of the improvements in the cost approach to value. Failing to provide a supported estimate of the cost new of the improvements for the subject property is a violation of USPAP SR 1-4 (b)(ii) (2020), Minn. Stat. § 82B.195 subd. 3. (1)(viii), as well as Minn. Stat. § 82B.20 subd. 2. (6), (7), and (13) (2020); and

d. Respondent failed to maintain a complete and accurate workfile. The work file did not contain 1) zoning data to support Respondent's conclusions; 2) cost data, or, 3) site value data used to support the cost approach. Failing to maintain an adequate workfile is a violation of USPAP Record Keeping Rule (2020) and Minn. Stat. § 82B.071 (2020)

2. Respondent acknowledges that he 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. 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. 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).

3. For purposes of Minn. Stat. § 16D.17 (2020), 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 (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.

4. 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) (2020) (“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...”).

5. The following Order is in the public interest.

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

A. Respondent’s Real Property Appraisers license will be suspended for a period not to exceed one (1) month from the effective date of this order by or on behalf of the Commissioner;

B. Respondent shall complete the following corrective education courses offered by the Appraisal Foundation, on their website within ninety days of the effective date of this order:

1. Scope of Work: Appraisals and Inspections.
2. Appraiser Self-Protection: Documentation and Record Keeping.
3. Assignment Conditions, Elements and Results; and
4. Ethics, Competency and Negligence.

These corrective courses cannot be used for any of Respondent's continuing education requirements. Respondent must provide proof of completion within thirty days of completing the course work;

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 \$540 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: 09/21/2021

GRACE ARNOLD
Commissioner



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 he has 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.

Date: 9-13-2021

Justin Fingerhut

By:

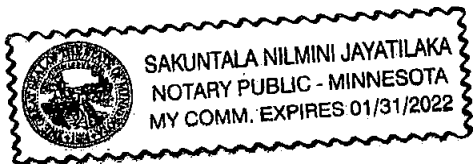
Signature

STATE OF MIN

COUNTY OF Scott

Signed or attested before me on 09.13.2021 (Date).

(Notary stamp)



(Signature of Notary)

My Commission expires:

01-31-2022