

**STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE**

In the Matter of the Appraiser License of Kari Donna Jacobson  
License No.: 20345057

**CONSENT ORDER**

TO: Kari Donna Jacobson  
1600 Utica Ave S  
9<sup>th</sup> floor #139  
Saint Louis Park, MN 55416

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

The Commissioner has advised Kari Donna Jacobson (Respondent) that she is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2018), and other applicable law, based on the following allegations of violations found in a March 2019 appraisal report of a property located in Randall, Minnesota and a December 2019 appraisal report of a property located in Wrenshall, Minnesota.

- a. Respondent misinterpreted the Minn. Statute and failed to notify the Commissioner that the appraiser trainees who are listed as assisting in these appraisals are no longer under her supervision. Respondent was not aware of an upgrade to license for one trainee and discontinued work with one trainee due to COVID issues. Failing to notify the Commissioner within the allotted 10-day period that Respondent is no longer a trainee's supervisor is in violation of Minn. Stat. § 82B.094 (c) (2018).
- b. Respondent misinterpreted the law and included the name of a non-licensed employee within the report as contributing research and administrative duties in the report. Research indicates this person completed appraisal activities. Minnesota statute does not allow a non-licensed employee to complete appraisal activities in violation of Minn. Stat. § 82B.20 subd. 2 (12) (2018).

- c. Respondent failed to provide credible appraisal reports because of errors and omissions and included appraisal addendums that were misleading. This includes the Realtor's CMA sheet of vacant land sales. Respondent disclosed the nature of the updates to the report, however, failed to disclose that the appraisals were reevaluations and in addition, failed to identify areas of difference between the appraisals and provide justification for the changes made in the reevaluations in violation of USPAP Standard Rule (SR)1-1 (c), 2-1 (a)(b) (2018) and Minn. Stat. § 82B.195 subd. 2 (5) and Minn. Stat. § 82B.20 subd. 2 (6)(7) (2018).
- d. Respondent failed to provide all the characteristics of the subject properties and their comparables in violation of USPAP SR 1-1 (c), 2-1 (a)(b) (2018) and Minn. Stat. § 82B.195 subd. 3 (1)(i) (2018).
- e. Respondent failed to make adjustment to the comparables in these appraisals when they were obviously necessary and made an incorrect direction adjustment for the appraisal in Randall, Minnesota that called into question her reconciliation of value. Failure to make an adjustment in the correct direction and failing to adjust when adjustments are obviously necessary is in violation of USPAP SR 1-4 (a), 2-1 (a)(b) (2018) and Minn. Stat. § 82B.195 subd. 3 (1)(vi) (2018)
- f. Respondent failed to maintain proper work files. The work files failed to provide support for Respondent's opinions and conclusions. Failing to maintain a proper work file is in violation of USPAP Record Keeping Rule (2018) and Minn. Stat. § 82B.071 (2018).

2. Respondent acknowledges that she 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 she 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 (2018) and Minn. R. 1400.5900 (2017).

3. For purposes of Minn. Stat. § 16D.17 (2018), Respondent expressly waives her right to any notice or opportunity for a hearing on any civil penalty imposed by the Commissioner. Further, Minn. Stat. § 16D.17 (2018) 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) (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...”).

5. The following Order is in the public interest.

**NOW, THEREFORE, IT IS HEREBY ORDERED**, pursuant to Minn. Stat. Ch. 45 (2018) that:

A. Respondent shall pay a civil penalty in the amount of \$5,000 to the State of Minnesota. The Commissioner has stayed \$3,500 of this penalty. Respondent must pay \$1,500 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 stayed 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 but may not challenge the amount of the stayed penalty. If the stay has not been lifted by January 31, 2024, the stayed portion of the civil penalty will be vacated.

B. Respondent shall complete the following corrective education courses offered by the Appraisal Foundation within one hundred and twenty days of the effective date of this order;

- 1) Scope of Work: Appraisals and Inspections;
- 2) Assignment Conditions, Elements and Results;
- 3) Missing Explanations; and
- 4) Approach Reconciliation.

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 \$990.50 pursuant to Minn. Stat. § 45.027, subd. 1(8) (2018).

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

Date: 03/29/2021

GRACE ARNOLD  
Temporary 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 she 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.

Kari Donna Jacobson

Date: 3/22/21

By: *Kari Donna Jacobson*  
Signature

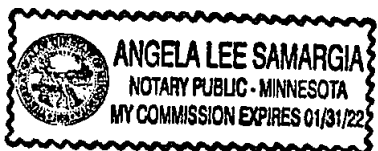
STATE OF Minnesota

COUNTY OF Hennepin

Signed or attested before me on 3/22/2021 (Date).

(Notary stamp)

*Angela Lee Samargia*  
(Signature of Notary)



My Commission expires:

1/31/2022