

DEC 27 2024

Rec'd \$ 1657.50STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE

In the Matter of the Real Property Appraiser license of Cheryl M. Ekstrum  
License No.: 20316417

## CONSENT ORDER

TO: Cheryl M. Ekstrum  
20 2<sup>nd</sup> Street NE, Unit 802  
Minneapolis, MN 55413

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

1. The Commissioner has advised Cheryl M. Ekstrum (Respondent) that she is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2022), and other applicable law, based on the following allegations pertaining to an appraisal report completed on a property in Saint Paul, MN:

a. Respondent failed to provide support for her market data opinions and conclusions.

This included, but was not limited to, failing to respond to a client request for additional comments when the opinion of market value differs from the predominant value by plus or minus 15%. Respondent's market value was 53% greater than her neighborhood's reported predominant value. Respondent violated the Uniform Standards of Professional Appraisal Practice (USPAP) SR 1-1 (a), 1-2 (h), 2-1 (a), (b) (2020) and Minn. Stat. §§ 82B.195, subd. 1, 82B.20, subd. 2 (6), (13) (2022).

b. Respondent failed to provide the subject's correct zoning classification or description and failed to summarize the support and rational for her opinion of the subject's highest and best use in violation of USPAP SR 1-1 (b), 1-3 (b) 2-1 (a), 2-2 (a)(xii) (2020) and Minn. Stat. §§ 82B.195, subd.1, 82B.20, subd. 2 (7), (13) (2022).

c. Respondent did not provide a credible sales comparison approach to value because she failed to:

ASIS

- i. Provide market support for the adjustments made in the sales comparison grid;
- ii. Adjust the comparables when it appeared adjustments were necessary; and
- iii. Utilize consistent adjustment amounts among the comparables for their basement size, basement finishing, basement finished room counts, and their porch, patio, and deck amenity adjustments.

Because Respondent failed to provide a credible and supportable sales comparison approach to value, her value opinion is not considered credible in violation of USPAP SR 1-1 (a), 1-4 (a), 2-1 (a), (b), 2-2 (a)(x)(5) (2020) and Minn. Stat. §§ 82B.195, subd 1, subd. 3 (1) (iv), (vi) (2020) and 82B.20, subd. 2 (6), (7), (13) (2022).

d. Respondent failed to provide a work file that supported her opinions and conclusions. In addition, it appears Respondent failed to have a work file in place when she delivered the appraisal report to her client in violation of the USPAP Record Keeping Rule (2020) and Minn. Stat. § 82B.071, subd. 2 (2022).

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 (2021).

4. For purposes of Minn. Stat. § 16D.17 (2022), 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) ("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 (2022) that:

A. Respondent shall pay a civil penalty in the amount of \$1,500 to the State of Minnesota;  
B. Respondent to complete the following corrective education courses provided by the Appraisal Foundation:

- a. Appraiser Self Protection: Documentation and Record Keeping;
- b. Missing Explanations; and
- c. Sales Comparison Approach Reconciliation.

Respondent must complete this course work within ninety (90) days of the effective date of this order.

Respondent must provide course completion certificates to the Department within thirty (30) days of course completion;

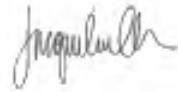
C. Respondent shall cease and desist from violating any laws, rules, or orders related to the duties and responsibilities entrusted to the Commissioner under Minnesota Statute Chapters 45 and 82B; and

D. Respondent shall pay all investigative costs in the amount of \$157.50 at the time the Consent to Entry of Order is signed pursuant to Minn. Stat. § 45.027, subd. 1(8) (2022).

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

Date: January 3, 2025

GRACE ARNOLD  
Commissioner



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JACQUELINE OLSON  
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.

Cheryl M. Ekstrum

Date: 12/13/24

By:

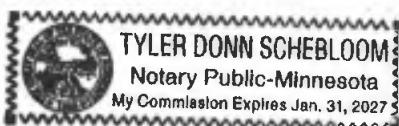
Cheryl  
(Signature)

STATE OF Minnesota

COUNTY OF Hennepin

Signed or attested before me on 12-13-24 (Date).

(Notary stamp)



Tyler Donn Schebloom  
(Signature of Notary)

My Commission expires:

1-31-27