

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

In the Matter of the Real Property Appraiser License of Steven Spaeth
License No. 4002341

CONSENT ORDER

TO: Steven Spaeth
1052 W Lake Drive
Unit 5
Detroit Lakes, MN 56501

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

1. The Commissioner has advised Steven Spaeth (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 for a property in Dent, Minnesota:

- a. Respondent failed to produce a credible report based on not using recognized methods and techniques. The sales comparison grid located in the report contained no adjustments for differences between the subject and comparable properties. Respondent did not demonstrate proper use of the sales comparison approach in the appraisal report in violation of the Competency Rule of USPAP, SR 1-1 (a), SR 2-1 (b) (2020), and Minn. Stat. §§ 82B.195 Subd. 3 (1)(vi), 82B.20 Subd. 2 (5)(7)(13) (2024).
- b. Respondent failed to accurately state the site characteristics. Within the report, Respondent indicated three different site sizes for the same comparable property. Information in the work file provided by Respondent indicates two different site sizes for the comparable property. Inaccurately stating characteristics of the comparable properties is a violation of the Uniform Standards of Professional Practice (USPAP) Standards Rule (SR) 1-4 (a) (2020) and Minn. Stat. § 82B.195 Subd. 3 (1)(i) (2024).

- c. Respondent failed to select and utilize comparable properties that were physically and by location most similar to the subject property in violation of USPAP SR 1-4 (a) (2020) and Minn. Stat. § 82B.195 Subd. 3 (1)(iv) (2024).
- d. Respondent failed to summarize the appraisal methods and techniques applied in violation of USPAP SR 2-2 (a)(x)(1) (2020) and Minn. Stat. § 82B.20 Subd. 2 (5)(13) (2024).
- e. Respondent failed to provide an opinion of value that was supported by market data in violation of USPAP SR 2-2 (a)(x)(5) (2020) and Minn. Stat. § 82B.195 Subd. 3 (1)(viii) (2024).
- f. Respondent failed to maintain a work file that supported the opinions and conclusions stated in the report in violation of the Record Keeping Rule of USPAP and Minn. Stat. § 82B.071 Subd. 2 (2024).

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 (2022) and Minn. R. 1400.5900 (2023).

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 (2022) 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 \$4,000 to the State of Minnesota. The Commissioner has stayed \$2,000 of this penalty. Respondent must pay \$2,000 at the time the Consent to Entry of Order is signed. The stayed portion of the civil penalty may be lifted if Respondent commits any 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 July 1, 2028, the stayed portion will be vacated;

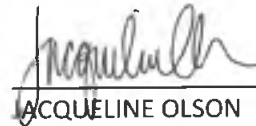
B. Respondent shall cease and desist from violating any laws, rules, or orders related to the duties and responsibilities entrusted to the Commissioner under Minnesota Statute Chapters 82B and 45.027; and

C. Respondent shall pay all investigative costs in the amount of \$450 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: September 5, 2025

GRACE ARNOLD
Commissioner

A handwritten signature in dark ink, appearing to read "Jacqueline Olson", is written over a horizontal line.

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.

Date: 8-27-2025

Steven Syaeth

By:

Signature

STATE OF Minnesota

COUNTY OF Becker

Signed or attested before me on August 27, 2025 (Date).

(Notary stamp)



Traci Mace

(Signature of Notary)

My Commission expires:

1/31/29

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