

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

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SEP 03 2024

MAILROOM

In the Matter of the Real Property Appraiser License of Brenda LaTourelle
License No. 20307147

CONSENT ORDER

TO: Brenda LaTourelle
907 13th Avenue SE
Forest Lake, MN 55025

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

1. The Commissioner has advised Brenda LaTourelle (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 St. Louis Park, Minnesota:

- a. Respondent failed to include a summary of the highest and best use of the subject property in violation of the Uniform Standards of Professional Appraisal Practice (USPAP) Standards Rule (SR) 1-3 (1)(a)(i), SR 2-2 (a)(xii) (2020), and Minn. Stat. § 82B.20 subd. 2 (6) (2022).
- b. Respondent failed to accurately indicate the zoning of the subject property in the appraisal report. This incorrectly stated zoning indicates the opinion of highest and best use stated in the report lacks credibility in violation of USPAP SR 1-1 (a), SR 1-2 (e)(i), SR 2-2 (a)(iv) (2020), Minn. Stat. §§ 82B.20 subd. 2 (6), and 82B.195 subd. 3 (1)(i) (2022).
- c. Respondent failed to identify and discuss salient differences between the subject and comparable properties. These differences include that the subject is located in a building with a total of 124 units, while two of the comparable properties are located in buildings with 6 units. Respondent failed to discuss the potential market impact of

these differences in violation of USPAP SR 1-4 (a), SR 2-1 (b), SR 2-2 (a)(x)(5) (2020), and Minn. Stat. § 82B.20 subd. 2 (6) (2022).

- d. Respondent failed to include accurate and consistent information in the appraisal report. Respondent reported incorrect county location for the subject property, incorrect shared amenities for two comparable properties, incorrect parking amenities for two comparables, and an incorrect fireplace adjustment for one comparable. Further, Respondent indicated the subject property to have two levels when the subject is a one level condo unit. This incorrect information creates a report that lacks credibility and is in violation of USPAP SR 1-1 (c), SR 2-1 (a) (2020), and Minn. Stat. § 82B.20 subd. 2 (6)(7) (2022).
- e. Respondent failed to include the reasoning for not including the income approach in the appraisal report in violation of USPAP SR 2-2 (a)(x)(2) and Minn. Stat. § 82B.20 subd. 2 (6)(7) (2022).
- f. Respondent failed to provide the Department with all copies of the appraisal report that had been submitted to the client. Respondent made changes across multiple versions of the report. Respondent failed to identify the changes that were made or the reason for making the changes in violation of USPAP SR 2-1 (a)(b) (2020) and Minn. Stat. § 82B.20 subd. 2 (6)(7) (2022).
- g. Respondent failed to analyze the previous sale of the subject property. The previous sale of the subject occurred within the 3 years prior to the effective date of the appraisal report. The initial report and three subsequent versions of the report did not contain analysis of the previous sale. Analysis of the previous sales was not included until more than one year after the effective date of the report in violation of USPAP SR 1-5 (b) (2020) and Minn. Stat. § 82B.20 subd. 2 (6) (2022).

- h. Respondent failed to include sufficient information to enable the intended user(s) of the appraisal report to understand the report properly. Respondent failed to include support for the adjustments used in the sales comparison approach. The report did not contain information as to how the adjustments were determined, what data was utilized, or what methodology was used in violation of USPAP SR 2-1 (b), SR 2-2 (a)(x)(5) (2020), and Minn. Stat. § 82B.20 subd. 2 (6) (2022).
- i. Respondent failed to maintain a workfile that supported the opinions and conclusions stated in the appraisal report in violation of the Record Keeping Rule of USPAP 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 (2022) 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 (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 \$5,000 to the State of Minnesota. The Commissioner has stayed \$1,000 of this penalty. Respondent must pay \$4,000 on or before October 15, 2024. 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 July 1, 2027, the stayed portion of the civil penalty will be vacated.

B. Respondent's Real Property Appraiser license (20307147) is hereby suspended for a period of 6 months commencing on October 15, 2024. Of the 6 months, 2 months shall be stayed so long as Respondent commits no 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 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 length of the stayed suspension becoming effective. If the stay has not been lifted by July 1, 2027, the stayed portion of the suspension will be vacated];

C. Respondent shall complete 30 hours of corrective education. Of the 30 hours, the following corrective education courses provided by the Appraisal Foundation must be taken. The remaining 10 hours shall consist of courses approved by the Department. The courses must be completed within 90 days of the effective date of this order:

- a. Missing Explanations;
- b. Sales Comparison Approach Reconciliation;
- c. Assignment Conditions, Elements, and Results;
- d. Residential Report Writing vs. Form Filling; and
- e. Ethics, Competency, and Negligence.

These courses cannot be used toward Respondent's continuing education credits. Course completion certificates must be supplied to the Department within 30 days of completing and passing course requirements;


D. 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

E. Respondent shall pay all investigative costs in the amount of \$1,350 on or before October 15, 2024, 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 10, 2024

GRACE ARNOLD
Commissioner



JACQUELINE OLSON
Assistant Commissioner of Enforcement
Minnesota Department of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101

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.

Brenda LaTourelle

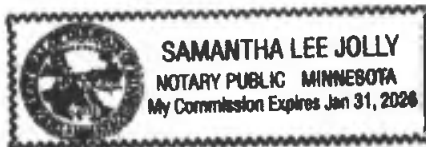
Date: 8-29-2024

By: Brenda LaTourelle
Signature

STATE OF Minnesota
COUNTY OF Washington

Signed or attested before me on 8/29/2024 (Date).

(Notary stamp)



Samantha Lee Jolly
(Signature of Notary)

My Commission expires:

1/31/2026