

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE AND ALTERATION CONTRACTORS

In the Matter of

THEODORE JEROME LEONARD,
QUALIFYING OFFICER
License NO. 21-01-156356

File No. 21-16-328972
Docket No. 16-035930

CAMBRIDGE CUSTOM HOMES INC.
License No. 21-02-163061,
Respondents.

File No. 21-16-328971
Docket No. 16-035849

FINAL ORDER

On October 21, 2016, the Department of Licensing and Regulatory Affairs executed a Formal Complaint charging Respondents with violating MCL 339.604(h), 339.2411(2)(a), 339.2411(2)(c) and 2411(2)(e).

An administrative hearing was held in this matter before an administrative law judge who, on May 11, 2017, issued a Hearing Report setting forth Findings of Fact and Conclusions of Law.

The Michigan Board of Residential Builders and Maintenance and Alteration Contractors (Board), having reviewed the administrative record, considered this matter at a regularly scheduled meeting held in Lansing, Michigan on June 13, 2017, and received the administrative law judge's Findings of Fact and Conclusions of Law in the Hearing Report. Therefore,

IT IS ORDERED that for violating MCL 339.604(h), 339.2411(2)(a), 339.2411(2)(c) and 339.2411(2)(e), Respondents are jointly and severally FINED \$10,000.00 to be paid to the State of Michigan within 60 days from the effective date of this Order.

IT IS FURTHER ORDERED that the fine shall be mailed to the **Department of Licensing and Regulatory Affairs, Enforcement Division, Compliance Section, P.O. Box 30189, Lansing, MI 48909**. The fine shall be paid by check or money order made payable to the State of Michigan, and the check or money order shall clearly display file numbers **21-16-328972 and 21-16-328971**.

IT IS FURTHER ORDERED that Respondents shall jointly and severally pay RESTITUTION in the amount of \$15,705.00 to Shelley Roach within 60 days from the effective date of this Order.

IT IS FURTHER ORDERED that Respondents shall submit satisfactory written evidence of payment of the ordered restitution to the **Department of Licensing and Regulatory Affairs, Enforcement Division, Compliance Section, P.O. Box 30670, Lansing, MI 48909**.

IT IS FURTHER ORDERED that failure to pay the fine and restitution within 60 days from the effective date of this Order, as set forth above, shall result in SUSPENSION of Respondents' licenses to practice as an individual residential builder and a residential builder company in the state of Michigan.

IT IS FURTHER ORDERED that, in accordance with MCL 339.411(3)(c), 339.602(c) and 339.604(k), no application for licensure, renewal, relicensure, or reinstatement shall be granted until all final orders of the Board have been satisfied in full.

IT IS FURTHER ORDERED that in the event Respondent violates any provision of this Order, the Board may proceed to take disciplinary action pursuant to MCL 339.604(k).

This Final Order is a public record required to be published and made available to the public pursuant to the Michigan Freedom of Information Act, MCL 15.231 *et seq.*

IT IS FURTHER ORDERED that this Order shall be effective on the date signed by the Chairperson of the Board or authorized representative, as set forth below.

Dated: 07/10/2007

**MICHIGAN BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE AND ALTERATION CONTRACTORS**

By: Kim Gaedeke
Kim Gaedeke, Director
Bureau of Professional Licensing

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE AND ALTERATION CONTRACTORS

In the Matter of

CAMBRIDGE CUSTOM HOMES INC
License Number: 21-02-163061

and

THEODORE JEROME LEONARD,
QUALIFYING OFFICER
License Number: 21-01-156356

File Numbers: 21-16-328971
21-16-328972

FORMAL COMPLAINT

The Michigan Department of Licensing and Regulatory Affairs (Complainant) by Kim Gaedeke, Director, Bureau of Professional Licensing, files this Complaint against Cambridge Custom Homes Inc. and Theodore Jerome Leonard (Respondents) as follows:

1. The Michigan Board of Residential Builders and Maintenance and Alteration Contractors (Board) is an administrative agency established by the Occupational Code, MCL 339.101 et seq. Pursuant to section 602 of the Occupational Code, supra, the Board is empowered to penalize licensees for violations of the Occupational Code.

2. Respondent Cambridge Custom Homes Inc. is licensed as a residential builder company in the state of Michigan.

3. Respondent Theodore Jerome Leonard is licensed as an individual residential builder and is designated as the qualifying officer of Cambridge Custom Homes Inc. and, pursuant to section 2405(1) the Occupational Code, supra, is responsible for exercising supervision and control over the building and construction operations necessary to secure full compliance with the Occupational Code and the rules promulgated thereunder.

4. In May 2015, Respondents entered into a contract with (Homeowner) to install a roof and siding on her home for a total cost of \$24,444.00. Neither party signed the contract.

5. On May 27, 2015, Homeowner endorsed an insurance check to Respondents for \$23,444.31.

6. On October 6, 2015, Respondents agreed, in writing, to refund Homeowner \$8,000.00 for the siding portion of the project that Respondents failed to complete. Respondents failed to refund Homeowner any money.

7. On April 12, 2016, after Homeowner unsuccessfully attempted to contact Respondents on several occasions, Homeowner filed a Statement of Complaint with Complainant alleging that Respondents installed the roof improperly and failed to install the siding.

8. On June 29, 2016, Complainant mailed a Notice to Respondent with a copy of Homeowner's complaint to Respondents' address of record. Respondents failed to respond to the Notice.

9. On August 10, 2016, a building inspector for Thetford Township verified the following violations of the 2009 Michigan Residential Code, adopted pursuant to the Single State Construction Code Act, effective March 9, 2011:

- a. No permits were obtained for the work, contrary to R105.1.
- b. No supports on headers for covered porch on back of garage, contrary to R602.3.
- c. Post not anchored into the slab, contrary to R507.8.1.
- d. Post sitting on the slab with no footing, contrary to R507.8.1.
- e. Siding and roofing not completed, contrary to R703.1.
- f. Roofing not flashed properly, contrary to R903.2.
- g. Siding torn off and not replaced, contrary to R703.1.
- h. Soffit and Fascia torn off and not replaced, contrary to R703.1.
- i. House exposed to weather infiltration, contrary to R703.1.

A copy of the inspection report, marked Exhibit A, is attached and incorporated.

COUNT I

Respondents' conduct, as described above, evidences a failure to respond to a complaint within 15 days from receipt of the complaint, contrary to Mich Admin Code, R 338.1551(2), in violation of section 604(h) of the Occupational Code, supra.

COUNT II

Respondent's conduct, as described above, evidences a failure to reduce all agreements and changes to the agreements between a builder, or contractor, and customer to writing and have the agreement signed by all parties, contrary to Mich Admin Code, R 338.1533(1), in violation of section 604(h) of the Occupational Code, supra.

COUNT III

Respondents' conduct, as described above, evidences a failure to ensure that standards of construction are in accordance with the local building code, contrary to Mich Admin Code, R 338.1551(5), in violation of section 604(h) of the Occupational Code, supra.

COUNT IV

Respondents' conduct, as described above, evidences the abandonment without legal excuse of a contract or construction project, in violation of section 2411(2)(a) of the Occupational Code, supra.

COUNT V

Respondents' conduct, as described above, evidences a failure to account for or remit money coming into Respondents' possession that belongs to others, in violation of section 2411(2)(c) of the Occupational Code, supra.

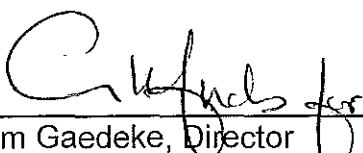
COUNT VI

Respondents' conduct, as described above, evidences a willful violation of the building laws of this state or of a political subdivision of this state, in violation of section 2411(2)(e) of the Occupational Code, supra.

Complainant requests that this Complaint be served upon Respondents and that Respondents be offered an opportunity to show compliance with all lawful requirements for retention of the licenses. If compliance is not shown, Complainant further requests that formal proceedings be commenced pursuant to the Occupational Code, rules promulgated thereunder, and the Administrative Procedures Act, MCL 24.201 et seq.

Pursuant to section 508 of the Occupational Code, supra, Respondent has 15 days from the date of receipt of this Complaint to notify Complainant of Respondents' decision to either negotiate a settlement of this matter, to demonstrate compliance with the Occupational Code, or to request an administrative hearing. Written notification of Respondent's selection shall be submitted to Complainant, Kim Gaedeke, Director, Bureau of Professional Licensing, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, MI 48909. If Respondent fails to submit written notification within 15 days, this matter shall proceed to an administrative hearing.

DATED: 10/21/2016



Kim Gaedeke, Director
Bureau of Professional Licensing

SDM