

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

PATTEN CONSTRUCTION COMPANY  
License Number: 21-02-141847

File No. 21-16-328613

and

MATTHEW THOMAS PATTEN  
License Number: 21-01-118193

File No. 21-16-328614

Respondents.

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CONSENT ORDER

On January 18, 2017, the Department of Licensing and Regulatory Affairs executed a Formal Complaint charging Respondents with violating the Occupational Code, MCL 339.101 *et seq.*

Respondents have admitted the facts alleged in the Complaint are true with the exceptions of Counts I and II, which shall be dismissed, and has agreed that the allegations constitute violation(s) of MCL 339.604(h). The Michigan Board of Residential Builders and Maintenance and Alteration Contractors has reviewed this Consent Order and Stipulation and agrees that the public interest is best served by resolution of the outstanding Complaint.

Therefore, IT IS FOUND that the facts alleged in the Complaint constitute violation(s) of MCL 339.604(h).

IT IS ORDERED that Counts I and II of the Complaint which alleged violation(s) of MCL 339.2411(2)(a) and 339.2411(2)(c) are DISMISSED.

IT IS FURTHER ORDERED that for the cited violations of the Occupational Code, Respondents are FINED \$500.00 to be paid to the State of Michigan within 60 days of 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 **21-16-328613** and **21-14-328614**.

IT IS FURTHER ORDERED that failure to comply with the terms of this Order shall result in SUSPENSION of all licenses or registrations held by Respondents under Article 24 of the Occupational Code and in the denial of any license or registration renewal until compliance with this Order.

IT IS FURTHER ORDERED that this Order shall be effective 30 days from the date signed by the Board, as set forth below.

MICHIGAN BOARD OF RESIDENTIAL BUILDERS AND  
MAINTENANCE AND ALTERATION CONTRACTORS

By:   
Chairperson

Dated: 3/13/18

STIPULATION

1. Respondents and the Department agree that, pursuant to the principal of settlement and compromise, Counts I and II of the Complaint shall be dismissed by the Board.
2. The facts alleged in the Complaint constitute violation(s) of MCL 339.604(h).
3. Respondents understand and intend that by signing this Stipulation Respondents are waiving the right, pursuant to the Occupational Code, the rules promulgated thereunder, and the Administrative Procedures Act, MCL 24.201 *et seq.*, to require the Department to prove the charges set forth in the Complaint by presentation of evidence and legal authority, and Respondents are waiving the right to appear with an attorney and such witnesses as Respondents may desire to present a defense to the charges.

4. This matter is a public record required to be published and made available to the public pursuant to the Michigan Freedom of Information Act, MCL 24.231 *et seq.*

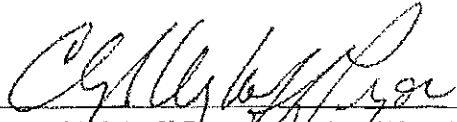
5. Factors take into consideration in the formulation of this Order are as follows:

On June 2, 2017, Respondents and Homeowners reached an agreement. The Homeowners consider the matter resolved.

6. This Order is approved as to form and substance by Respondents and the Department and may be entered as the final order of the Board in this matter.


7. This proposal is conditioned upon acceptance by the Board. Respondents and the Department expressly reserve the right to further proceedings should this Order be rejected.

AGREED TO BY:

  
Cheryl Wykoff Pezon, Acting Director  
Bureau of Professional Licensing  
Department of Licensing and  
Regulatory Affairs

Dated: 1/9/18

AGREED TO BY:

  
Patten Construction Company and *Company*  
Matthew Thomas Patten  
Respondents

Dated: 12-27-17

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

PATTEN CONSTRUCTION COMPANY  
License Number: 21-02-141847

MATTHEW THOMAS PATTEN  
License Number: 21-01-118193

Complaint Numbers: 21-16-328613  
21-16-328614.

FORMAL COMPLAINT

The Michigan Department of Licensing and Regulatory Affairs (Department) by Kim Gaedeke, Director, Bureau of Professional Licensing, files this Complaint against Patten Construction Company and Matthew Thomas Patten (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 Patten Construction Company, is a licensed residential building company in the state of Michigan.

3. Respondent Matthew Thomas Patten, is licensed as an individual residential builder and is designated as the qualifying officer of Patten Construction Company and, pursuant to section 2405(1) of the Occupational Code, supra, is responsible for exercising supervision and control over the building and construction operations necessary to ensure full compliance with the Occupational Code and the rules promulgated thereunder.

4. On July 31, 2014, Respondents entered into a contract with \_\_\_\_\_ and \_\_\_\_\_ (Homeowners) to build a house for \$745,000.00. A copy of the construction contract, marked Exhibit A, is attached and incorporated.

5. Respondents received payments totaling \$745,000 from Homeowners.

6. In January 2016, Respondents abruptly quit work on the project.

7. In response to a request from Homeowners for an accounting of funds spent on the project, Respondents provided invoices and receipts for only \$352,766.32 and canceled checks totaling \$598,854.95.

8. On February 24, 2016, Homeowners filed a Statement of Complaint with Department.

### COUNT I

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

### COUNT II

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.

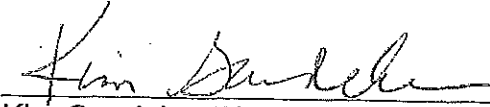
### COUNT III

Respondents' conduct, as described above, evidences a failure to maintain a complete and accurate set of books and records, as required by Mich Admin Code, R 338.1534, in violation of section 604(h) of the Occupational Code, supra.

Department 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, Department 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(2) of the Occupational Code, supra, Respondents have 15 days from the date of receipt of this Complaint to notify Department of Respondents' decision to negotiate a settlement of this matter, to demonstrate compliance with the Occupational Code, or to request an administrative hearing. Written notification of Respondents' selection shall be submitted to Kim Gaedeke, Director, Bureau of Professional Licensing, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, MI 48909. If Respondents fail to submit written notification within 15 days, this matter shall proceed to an administrative hearing.

Dated: 01/18/2007

  
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Kim Gaedeke, Director  
Bureau of Professional Licensing

BCW