

# WISCONSIN DEPARTMENT OF REGULATION & LICENSING



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STATE OF WISCONSIN  
BEFORE THE DEPARTMENT OF REGULATION AND LICENSING

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IN THE MATTER OF A PETITION FOR	:	
AN ADMINISTRATIVE INJUNCTION	:	FINAL DECISION
INVOLVING	:	AND ORDER
	:	LS0508103UNL
HELEN R. PATENAUDE,	:	
RESPONDENT.	:	

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Division of Enforcement Case Nos. 04UNL024 and 04UNL027

The State of Wisconsin, Department of Regulation and Licensing, having considered the above-captioned matter and having reviewed the record and the Proposed Decision of the Administrative Law Judge, makes the following:

ORDER

NOW, THEREFORE, it is hereby ordered that the Proposed Decision annexed hereto, filed by the Administrative Law Judge, shall be and hereby is made and ordered the Final Decision of the State of Wisconsin, Department of Regulation and Licensing.

The rights of a party aggrieved by this Decision to petition the department for rehearing and the petition for judicial review are set forth on the attached "Notice of Appeal Information."

Dated this 27<sup>th</sup> day of March, 2006.

Secretary Celia M. Jackson  
Department of Regulation and Licensing

STATE OF WISCONSIN  
BEFORE THE DEPARTMENT OF REGULATION AND LICENSING

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IN THE MATTER OF A PETITION :  
FOR AN ADMINISTRATIVE :  
INJUNCTION INVOLVING :  
 :  
HELEN R. PATENAUDE, : Case No. LS0508103UNL  
RESPONDENT. :  
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PROPOSED DECISION AND ORDER

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The parties to this action for purposes of §227.53, Wis. Stats., are:

Ms. Helen R. Patenaude  
153 N. Main Street #9  
Oconto Falls, WI 54154

Department of Regulation and Licensing  
Bureau of Business Licensure  
P.O. Box 8935  
Madison, WI 53708-8935

Department of Regulation & Licensing  
Division of Enforcement  
P.O. Box 8935  
Madison, WI 53708-8935

**PROCEDURAL HISTORY**

A hearing in the above-captioned matter was begun on November 9, 2005, before Administrative Law Judge Jacquelynn B. Rothstein. The Division of Enforcement appeared by attorney Mark Herman. Ms. Patenaude appeared *pro se*. The hearing was adjourned after Ms. Patenaude testified that she had sold her real estate company. In light of that discovery, the parties agreed that it would be prudent to adjourn the matter and conduct a further investigation to determine whether a mutually agreeable resolution could be reached. Two telephone conference calls were subsequently held, but the parties were unable to reach an agreement. A hearing date was therefore set and the matter concluded on January 24, 2006.

Based on the entire record in this case, the undersigned administrative law judge recommends that the Department of Regulation and Licensing adopt as its final decision in this matter the following Findings of Fact, Conclusions of Law, and Order.

**FINDINGS OF FACT**

1. Helen R. Patenaude resides at 153 North Main Street in Oconto, Wisconsin. She also has the following addresses on file with the Department of Regulation and Licensing: 147 Quincy Street, Oconto, Wisconsin, and 109 Congress Street, Oconto, Wisconsin.
2. Prior to March 25, 2004, Ms. Patenaude was licensed as a Wisconsin real estate broker (License #90-43554). While licensed as a broker Ms. Patenaude did business as "River Realty."
3. On March 25, 2004, the Wisconsin Real Estate Board entered a Final Decision and Order revoking Ms. Patenaude's real

estate broker's license.

4. Prior to May 19, 2004, Ms. Patenaude sent a letter to the Department of Regulation and Licensing in which she acknowledged that her license to practice as a real estate broker had been revoked.
5. After May 19, 2004, Ms. Patenaude continued to act as a real estate broker advertising real estate properties while doing business as "River Realty."

### **CONCLUSIONS OF LAW**

1. The Department of Regulation and Licensing has jurisdiction in this matter pursuant to § 440.21, Wis. Stats.
2. By having engaged in the practices of a real estate broker as set forth in Finding of Fact #5 without the required credential as required under § 452.03, Wis. Stats., Helen R. Patenaude acted contrary to § 440.21, Wis. Stats.

### **ORDER**

**NOW THEREFORE IT IS HEREBY ORDERED** beginning the date on which this Order is signed that Helen R. Patenaude is **ENJOINED** from acting as a real estate broker unless licensed as one under Chapter 452 of the Wisconsin Statutes.

### **OPINION**

On March 25, 2004, the Wisconsin Real Estate Board entered a Final Decision and Order revoking Ms. Patenaude's real estate broker's license. At issue in this proceeding is whether Ms. Patenaude violated that Order by acting as a real estate broker or agent without the required credential. Ms. Patenaude asserts that she has not been acting in either capacity. Indeed, she maintains that she sold her real estate company, River Realty, in April of 2004, to another entity and did not practice as either a broker or a sales' agent thereafter. However the evidence presented at the injunction proceedings suggests otherwise.

For example, in November 2004, a real estate circular advertising various properties for sale in the Green Bay and Northeastern Wisconsin area included several listings for River Realty. *See* Ex. 1, AA. Additionally, photographs taken in December of 2004, in Oconto County also show River Realty signs on various properties. *See* Ex. 1, BB. The local phone book for Oconto also included a telephone listing for River Realty as late as August of 2005. *See* Ex. 1, FF.

In response, Ms. Patenaude produced An Offer to Purchase in which it appears as if "The Century Group" made an offer to purchase her business, River Realty, for \$3000.00, on April 1, 2004. *See* Ex. 7. However, Ms. Patenaude was unable to recall the name of the individual or individuals who constituted The Century Group, nor can she state with any certainty what the parties to the transaction looked like, or whether they were males or females. She also did not have any other paperwork in support of this transaction, claiming, instead, that it had been destroyed in a fire. However, Michael Hoppe, the fire chief for the City of Oconto, testified that the fire in question occurred between the first and second floors of the building, and that there was no evidence of significant damage, other than to the ceiling area and parts of the first floor where the debris from the ceiling fell. (Tr. at 21, Jan. 24, 2006.) Mr. Hoppe also testified that there were no filing cabinets that sustained any damage from the fire, thereby suggesting that, if, in fact, there had been actual supporting documentation of this transaction, it was not destroyed in this fire. *Id.* at 23.

Efforts to locate The Century Group and the Century Realty Group by the Division of Enforcement were also unsuccessful. Mr. Greg Raube, a supervisor and investigator with the Department of Regulation and Licensing, made several attempts to locate both The Century Group and the Century Realty Group by contacting the Wisconsin Department of Financial Institutions, the Wisconsin Department of Revenue, and the United States Postal Service. However, no listings for either entity were on file with any of those agencies. (Tr. at 31-34, Jan. 24, 2006.) Mr. Raube also searched the Wisconsin Department of Regulation and Licensing database for "The Century Group" and the "Century Realty Group." He did not find any current records of real estate companies with those names, nor did he find any past records for those entities. *Id.* at 35-36.

Additionally, in September of 2004, the Honorable Larry L. Jeske, Circuit Court Judge for Oconto County, issued a Memorandum Decision in which he found Ms. Patenaude to have made statements, under oath, constituting false swearing. The underlying matter before Judge Jeske involved a real estate transaction in which he found that Ms. Patenaude had lied to the parties and had been deceitful. *See* Ex. 1, DD.

Ms. Patenaude also had her certificate of registration as a loan originator revoked by the Wisconsin Department of Financial Institutions in January of 2005. One of the bases for revoking Ms. Patenaude's certificate was the fact that she had engaged in improper, fraudulent, and dishonest dealings by not disclosing to the Department of Financial Institutions that her real estate broker's license had been revoked. *See* Ex. 15.

During the course of these proceedings, Ms. Patenaude offered a variety of explanations as to why River Realty appeared to be in existence in spite of her claim that she was no longer its owner or its principal broker. Her explanations are implausible at best and absurd at their worst. One explanation she offered was based on a mailing that she received at 109 Congress Street in Oconto. The actual mailing is a typical advertising flyer addressed to "Walter Leitzke-River Realty." *See* Ex. 17. Although not clearly articulated, Ms. Patenaude seemed to suggest that Mr. Leitzke was, perhaps, the current broker or agent for River Realty, not her. However, Mr. Leitzke is eighty-six years old and has not practiced real estate for at least fifteen years. (Tr. at 18, Jan. 24, 2006.) As such, it is simply not plausible that Mr. Leitzke is the owner of River Realty or one of its brokers.

Ms. Patenaude also claimed that the River Realty signs that appeared in the photographs taken in December of 2004, and after her broker's license had been revoked, could not have been hers because the ones she had were painted differently, albeit with the same colors, grey and blue. (Tr. at 57-58, Jan. 24, 2006.) With that claim, she implied that whoever had taken the photographs of the River Realty signs in December of 2004, had fabricated them. *Id.* At various times, Ms. Patenaude also suggested that she had not been properly informed that her real estate broker's license had been revoked. But a letter she sent to the Wisconsin Real Estate Board in May of 2004, clearly indicates that she knew her license had been revoked at that point. *See* Ex. 11. Consequently, she was aware, at that point, that she no longer had a credential under which she could legally operate.

While Ms. Patenaude offered a range of defenses and explanations as to the existence of River Realty and her role as a real estate broker, none are believable. Her credibility is undermined not only by the sheer volume of her defenses and their disingenuous nature, but also by the rulings against her as found in Judge Jeske's decision and in the Department of Financial Institutions' Order revoking her loan originator credential. Ms. Patenaude has demonstrated that she is not a trustworthy or a truthful person. There is ample evidence that she engaged in the practice of real estate without the required credential.

As a result, an order enjoining Ms. Patenaude from acting as a real estate broker is eminently appropriate. The evidence presented indicates that Ms. Patenaude was acting as a real estate broker without the required credential. It is therefore essential to issue an order enjoining her from continuing to act in that manner so that the public can be adequately protected. Such an order will also serve as a deterrent to others and prevent them from acting in a similar manner. Accordingly, enjoining Ms. Patenaude from acting as a real estate broker without the required credential is critical in order to safeguard the public.

Finally, the Division of Enforcement requested that costs be imposed against Ms. Patenaude in this matter. However, because this is an injunctive proceeding under s. 440.21, Wis. Stats., as opposed to a disciplinary proceeding under s. 440.20, Wis. Stats., costs are not statutorily authorized and are therefore not imposed.

Dated at Madison, Wisconsin, this 6<sup>th</sup> day of March, 2006.

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Jacquelyn B. Rothstein  
Administrative Law Judge