



1 **Penalties:**

2 Defendants having been found to engage in multiple and repeated violations of the  
3 Consumer Protection Act, RCW 19.86.020, shall forfeit and pay the following civil penalties  
4 pursuant to RCW19.86.140:

- 5 1. **\$140,000** (or 7000) for Defendants' creation and participation in  
6 70 unfair and deceptive overage transactions;
- 7 2. **\$66,000** (or 3300) for Defendants' creation and participation in  
8 33 unfair and deceptive partial interest deals;
- 9 3. **\$8,000** (or 400) for Defendants' creation and participation in  
10 4 other unfair and deceptive transactions, the Prieto transaction, *Findings*, ¶ 25, the  
11 Padgett transaction, *id.* ¶ 26, the Martinez transaction, *id.* ¶ 27, and the Garza  
12 transaction, *id.* ¶ 28;
- 13 4. **\$58,000** (or 2400) for Defendants' creation and participation  
14 in 29 falsified real property tax affidavits;
- 15 5. **\$66,000** (or 3300) for Defendants' acting as trustee with a  
16 fiduciary duty, and, as co-beneficiary seeking a profit, on 33 land trust agreements  
17 in violation of their fiduciary duty;
- 18 6. **\$194,000** or 5700 for Defendants' obtaining and using 85 powers-  
19 of-attorney, and actual attorneys in 12 additional transactions, to conceal the  
20 existence of, and intercept payment of, tax overages intended for former  
21 homeowners;
- 22 7. **\$130,400,000 (reduced as explained below)** (or 100,000) for  
23 Defendants' deceptive solicitations through the use of letters and postcards which  
24 were sent in the approximate amount of 65,200 times;
- 25  
26

1 8. \$500,000 (or 25000) for Defendants' approximately 250  
2 commercial solicitations using an automatic dialing device; and

3 9. \$1,000,000 (or 50000) for Defendants' approximately 500  
4 deceptive solicitations regarding the services of Unclaimed Funds, Inc.

5 Were the Court to impose the maximum penalty of \$2,000 for each violation the total  
6 penalty amount would be \$132,432,000. However, the Court finds that this number exceeds  
7 the amount necessary to vindicate the public's interest in a fair and competitive marketplace  
8 and exceeds the amount necessary to provide a disincentive to Defendants' future acts.  
9 Therefore, the Court reduces the penalty amount to a number that reflects both the amounts  
10 involved in the transactions and that fulfills the goals of penalties under the Consumer  
11 Protection Act.

12 The Court hereby **ORDERS** that Defendants JOSEPH KAISER, and HEIDI M.  
13 KAISER, husband and wife, as members of a marital community with named defendant, G.  
14 HOBUS INVESTMENTS, LLC; BOBO BUYS REAL ESTATE, LLC; PRE FLOP LLC; and  
15 UNCLAIMED FUNDS, Inc., a Washington Corporation, shall forfeit and pay civil penalties in  
16 the amount of ~~\$6,000,000 (six million dollars)~~ (or 177,100).

17 **Restitution:**

18 The Court finds, pursuant to RCW 19.86.080, that the Defendants have acquired money  
19 and property by means of multiple and repeated violations of the Consumer Protection Act, RCW  
20 19.86.020, and that this money should be restored to the victims of those acts by payment to the  
21 Washington State Attorney General's Office for purposes of distribution to the victims of  
22 Defendants' practices. The appropriate restitution amount is calculated as follows:

- 23 1. \$2,871,117.57 (or 2,871,117.57) for persons who lost title to their homes  
24 due to Defendants' acts and practices in violation of RCW 19.86.020, representing  
25 Defendants net gain in equity through partial interest deals and other unlawful  
26 transactions; and,

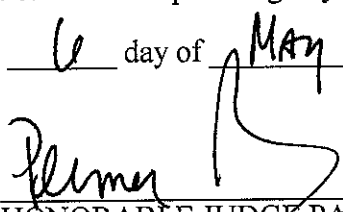
1 2. \$654,624.54 (or 654,624.54) for persons who have lost excess proceeds  
2 from tax foreclosure sale of their homes (known as overage money), due to Defendants'  
3 acts and practices in violation of RCW 19.86.020.

4 3. The total of the figures, \$3,525,742, should be reduced by \$290,000, the amount of  
5 restitution already paid by former defendants. Consent Decree (May 3, 2007) ¶ 1.3 (a).

6 The Court hereby **ORDERS** that Defendants JOSEPH KAISER, and HEIDI M.  
7 KAISER, husband and wife, as members of a marital community with named defendant, G.  
8 HOBUS INVESTMENTS, LLC; BOBO BUYS REAL ESTATE, LLC; PRE FLOP LLC; and  
9 UNCLAIMED FUNDS, Inc., a Washington Corporation shall, within thirty days of this Order,  
10 pay **\$3,235,742** to the Washington State Attorney General's Office, and the State shall then  
11 distribute that money to the victims in its entirety as it deems appropriate.


12 The penalties imposed and the restitution awarded are due to Defendants' multiple acts  
13 and practices in violation of the Consumer Protection Act, RCW 19.86.020, which were done  
14 with willful disregard for others and with the intent to defraud the victims. Nothing in this  
15 order shall be construed to bar any consumer from pursuing any other available remedies.

16 DONE IN OPEN COURT this 6 day of May, 2009.

17  
18   
19 HONORABLE JUDGE PALMER ROBINSON  
Judge of the Superior Court

20 Presented by:

21 ROBERT M. MCKENNA  
22 Attorney General

23   
24 JAMES T. SUGARMAN, WSBA #39102  
25 JASON E. BERNSTEIN, WSBA #39362  
26 Assistant Attorneys General  
Attorneys for Plaintiff  
State of Washington

RECEIVED  
JUDGES MAIL ROOM

2009 APR -9 PM 2:38

The Honorable Palmer Robinson  
Hearing Date: April 17, 2009

2 KING COUNTY  
3 SUPERIOR COURT

4  
5  
6 IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
7 IN AND FOR THE COUNTY OF KING

8 STATE OF WASHINGTON,

9 Plaintiff,

10 vs.

11 JOSEPH KAISER, and HEIDI M.  
12 KAISER, husband and wife, as  
13 members of a marital community with  
14 named defendant, G. HOBUS  
15 INVESTMENTS, LLC; BOBO BUYS  
16 REAL ESTATE, LLC; PRE FLOP  
17 LLC; UNCLAIMED FUNDS, Inc., a  
18 Washington Corporation,

19 Defendants.

NO. 07-2-08789-3 SEA

ORDER AWARDING COSTS AND  
FEES  
~~(PROPOSED)~~

20 THIS MATTER came before the Court on April 17, 2009, on Plaintiff State of  
21 Washington's Motion for the Award of Costs and Reasonable Attorney Fees. Plaintiff  
22 appeared through James T. Sugarman and Jason E. Bernstein, Assistant Attorneys General.  
23 Defendants appeared (*pro se*) (~~through their attorney,~~ )

24 The Court having considered the previous Order Granting Partial Summary Judgment, the  
25 Findings of Fact and Conclusions of Law, the Order Granting Injunctive Relief, all briefing and  
26 exhibits submitted by the parties, the records and files herein, and being fully advised; now,  
therefore finds that:

1. The State has substantially prevailed in asserting its claims under the Consumer  
Protection Act, RCW 19.86.090.

ORDER AWARDING COSTS AND FEES

1  
ORIGINAL


ATTORNEY GENERAL OF WASHINGTON  
Consumer Protection Division  
800 Fifth Avenue, Suite 2000  
Seattle, WA 98104-3188  
(206) 464-7745

1           2.     The State is the prevailing party for purposes of awarding costs. RCW 4.84.030.  
2           3.     The State has incurred reasonable attorney fees in the amount of \$808,501.80.  
3           4.     The State has incurred taxable costs in the amount of \$1,807.67.  
4           5.     The State has already received \$30,000 pursuant to the Consent Decree entered by  
5 former co-defendants in this matter.

6           6.     Therefore, the State is entitled to \$780,309.47 in costs and attorney fees.

7           The Court hereby **ORDERS** that Defendants JOSEPH KAISER, and HEIDI M.  
8 KAISER, husband and wife, as members of a marital community with named defendant, G.  
9 HOBUS INVESTMENTS, LLC; BOBO BUYS REAL ESTATE, LLC; PRE FLOP LLC; and  
10 UNCLAIMED FUNDS, Inc., a Washington Corporation, shall forfeit and pay reasonable  
11 attorney fees and costs in the amount of \$780,309.47 (or \_\_\_\_\_).

12  
13           DONE IN OPEN COURT this 6 day of May, 2009.


14  
15             
16           \_\_\_\_\_  
17           HONORABLE JUDGE PALMER ROBINSON  
18           Judge of the Superior Court

19           Presented by:

20           ROBERT M. MCKENNA  
21           Attorney General

22           Approved to Form:

23           Notice of Presentation Waived:

24  
25             
26           \_\_\_\_\_  
27           JAMES T. SUGARMAN, WSBA #39102  
28           JASON E. BERNSTEIN, WSBA #39362  
29           Assistant Attorneys General  
30           Attorneys for Plaintiff  
31           State of Washington

32           \_\_\_\_\_  
33           JOSEPH KAISER  
34           HEIDI KAISER  
35           Pro Se Defendants