

ORDER NO. OCF26-02

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Home Fidelity Group Inc. and
Thomas M. Rittweger.

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)

FINAL ORDER

TO: Home Fidelity Group Inc.
In care of: Thomas M. Rittweger
14 Cayman Avenue
Toms River, New Jersey 08753

Thomas M. Rittweger
14 Cayman Avenue
Toms River, New Jersey 08753

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance ("Commissioner"), upon information that Home Fidelity Group Inc. and Thomas M. Rittweger (collectively, "Respondents"), may have violated various provisions of the Foreclosure Rescue Fraud Prevention Act, N.J.S.A. 46:10B-53 to -68 ("Act"); and

WHEREAS, Respondents engaged in foreclosure consultant services in New Jersey without a license to do so as required by N.J.S.A. 46:10B-55(a)(1); and

WHEREAS, Respondents are subject to the provisions of the Act; and

WHEREAS, pursuant to N.J.S.A. 46:10B-55(a)(1), a foreclosure consultant shall not conduct any business in this State until the foreclosure consultant obtains a license from the Commissioner; and

WHEREAS, pursuant to N.J.S.A. 46:10B-56(a), a foreclosure consultant contract shall be written in plain language and shall fully disclose the exact nature of the foreclosure consultant's

services to be performed, the foreclosure consultant's representations, the distressed property relief to be secured, and the total amount and terms of compensation; and

WHEREAS, pursuant to N.J.S.A. 46:10B-56(b), a foreclosure consultant shall provide a specific notice to a consumer that the foreclosure consultant may not collect any fees until completing the services; and

WHEREAS, pursuant to N.J.S.A. 46:10B-56(e), a foreclosure consultant contract shall be accompanied by a specific notice explaining the consumer's right to cancel the contract; and

WHEREAS, pursuant to N.J.S.A. 46:10B-56(g), a foreclosure consultant shall record the contract with the county clerk in the county in which the distressed property is located, within 10 business days of its execution; and

WHEREAS, pursuant to N.J.S.A. 46:10B-58(b), it is a violation of the Act for a foreclosure consultant to claim, demand, charge, collect, or receive any fee, interest, or any other compensation for any reason, in excess of two monthly mortgage payments of principal and interest, or the most recent quarterly property tax installment on the distressed property, whichever is less; and

WHEREAS, pursuant to N.J.S.A. 46:10B-67(a), any person who violates any provision of this Act shall, in addition to any other penalty provided by law, be liable to a penalty of not more than \$10,000 for the first offense, and not more than \$20,000 for the second and each subsequent offense; and

WHEREAS, on July 31, 2024, the Commissioner issued Order to Show Cause OCF24-12 alleging violations of the Act by Respondents as follows:

COUNT 1
(Unlicensed activity)

IT APPEARING that Respondent Home Fidelity Group Inc. is a New Jersey corporation incorporated in November 2016; and

IT APPEARING that Respondent Thomas M. Rittweger is the sole owner and officer of Respondents Home Fidelity Group Inc.; and

IT FURTHER APPEARING that Respondents were never licensed with the Department in any capacity, including as foreclosure consultants; and

IT FURTHER APPEARING that from October 2016 until May 2017, Respondents provided unlicensed foreclosure consultant services to New Jersey residents; and

IT FURTHER APPEARING that Respondents marketed unlicensed foreclosure consultant services to New Jersey consumers who were behind their mortgage payments and/or whose houses were subject of foreclosure proceedings; and

IT FURTHER APPEARING that Respondents represented to consumers that his services would assist the consumers in preventing or postponing the foreclosure sales; and

IT FURTHER APPEARING that Respondents then met with the consumers and presented the consumers with various options to prevent or postpone the foreclosure sales; and

IT FURTHER APPEARING that, among the presented options, Respondents offered the so-called "Real Estate Sale-Leaseback" option, which Respondents also called "Sale and Use Transaction"; and

IT FURTHER APPEARING that under the Real Estate Sale-Leaseback option, the consumers sold their houses to a real estate investor, immediately received cash for such sale, were allowed to continue to reside in the house as a tenant for two years, were required to pay a monthly rent to the investor, and at the conclusion of the two years were allowed to re-purchase the house for a pre-agreed but significantly higher price; and

IT FURTHER APPEARING that marketing foreclosure consultant services and offering options to consumers to prevent or postpone foreclosure sales, including the Real Estate Sale-Leaseback option, constitutes foreclosure consultant services which requires a foreclosure consultant license from the Department; and

IT FURTHER APPEARING that Respondents convinced at least five consumers to enter into Real Estate Sale-Leaseback transactions with investors; and

IT FURTHER APPEARING that for each of the five Real Estate Sale-Leaseback transactions, Respondents received significant commissions out of the proceeds of the sales of the consumers' houses to investors, as reflected in the chart below:

Consumer's initials	House sale date	Commissions to Respondents
J. M.	10/17/2016	\$14,333.46
T. O.	01/20/2017	\$10,000.00
L. K	02/01/2017	\$10,000.00
A. C.	02/03/2017	\$9,500.00
C. R.	05/26/2017	\$13,500.00
Total commissions to Respondents		\$56,833.46

IT FURTHER APPEARING that by engaging in five foreclosure consultant transactions without a license to do so, Respondents violated N.J.S.A. 46:10B-55(a)(1); and

IT FURTHER APPEARING that each foreclosure consultant transaction without a license constitutes a separate violation of the Act; and

COUNT 2
(Overcharging)

IT FURTHER APPEARING that Respondents charged and collected fees from consumers in excess of the permitted amount, which is the lowest of either: (1) two monthly mortgage payments of principal and interest on the distressed property, or (2) the most recent quarterly property tax installment on the distressed property, pursuant to N.J.S.A. 46:10B-58(b); and

IT FURTHER APPEARING that, more specifically, Respondents overcharged consumers on all five Real Estate Sale-Leaseback transactions, as reflected in the chart below:

Consumer's initials	Most recent quarterly property tax installment (i.e. the cap on commissions)¹	Commissions to Respondents
J. M.	\$1,252.50	\$14,333.46
T. O.	\$2,306.50	\$10,000.00
L. K	\$1,241.00	\$10,000.00
A. C.	\$1,510.50	\$9,500.00
C. R.	\$1,728.50	\$13,500.00

IT FURTHER APPEARING that by charging and collecting fees from consumers for foreclosure consultant services in excess of the permitted amount, Respondents violated N.J.S.A. 46:10B-58(b); and

IT FURTHER APPEARING that each act of overcharging consumers for foreclosure consultant services constitutes a separate violation of the Act

COUNT 3

(Failure to issue written contracts and provide required notices)

IT FURTHER APPEARING that for all five Real Estate Sale-Leaseback transactions described in the preceding Counts, Respondents failed to issue a written contract in plain language fully disclosing the exact nature of Respondents' services to be performed, Respondents' representations, the relief to be secured by consumers, and the total amount and terms of Respondents' compensation, in violation of N.J.S.A. 46:10B-56(a); and

IT FURTHER APPEARING that because Respondents did not issue written contracts for five Real Estate Sale-Leaseback transactions, they also failed to record the contracts with the county clerk, in violation of N.J.S.A. 46:10B-56(g); and

¹ Upon information and belief, the amounts for two monthly mortgage payments of principal and interest would result in a higher number than the amounts for the most recent quarterly property tax installment.

IT FURTHER APPEARING that for all five Real Estate Sale-Leaseback transactions described in the preceding Counts, Respondents failed to provide to consumers a specific notice about prohibition of collecting upfront fees, in violation of N.J.S.A. 46:10B-56(b); and

IT FURTHER APPEARING that for all five Real Estate Sale-Leaseback transactions described in the preceding Counts, Respondents failed to provide to consumers a specific notice explaining the consumer's right to cancel the contract, in violation of N.J.S.A. 46:10B-56(e); and

IT FURTHER APPEARING that each act of Respondents' failure to issue a written contract and required notices to consumers constitutes a separate violation of the Act; and

WHEREAS, as set forth in the certification of service of Garen Gazaryan, Deputy Attorney General, attached hereto as Exhibit A, Respondents were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to the Order to Show Cause, which was duly served upon Respondents by certified and regular mail; and

WHEREAS, Respondents failed to provide written responses to the charges contained in the Order to Show Cause, and therefore Respondents has waived his right to a hearing to contest these charges and the charges are deemed admitted; and

WHEREAS, the Commissioner has reviewed the civil penalty factors under Kimmelman v. Henkels & McCoy, Inc., 108 N.J. 123, 137-139 (1987), and finds that Respondents showed extreme bad faith by engaging in unlicensed activities and significantly overcharging consumers for unlicensed services; and

NOW, THEREFORE, IT IS on this 20th day of January 2026,

ORDERED, that the charges contained in Counts One through Three of the Order to Show Cause are deemed admitted by Respondents; and

IT IS FURTHER ORDERED that, based on the Kimmelman analysis, and pursuant to N.J.S.A. 46:10B-67(a), Respondents are assessed and shall pay a civil penalty, jointly and severally, of \$290,000.00 to the Commissioner for multiple violations of the Act, as follows:

Count 1 - \$90,000.00;

Count 2 - \$100,000.00;

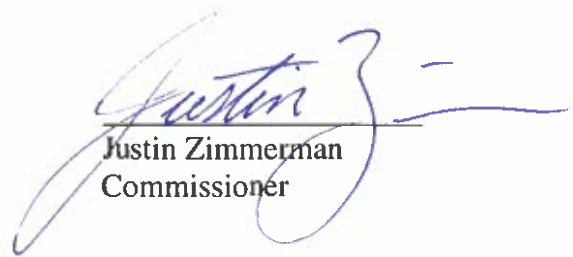
Count 3 - \$100,000.00; and

IT IS FURTHER ORDERED, that Respondents shall remit the payment of \$290,000.00 to the Commissioner of Banking and Insurance, State of New Jersey, P.O. Box 040, Trenton, New Jersey 08625, Attention: Paulette Sibblies-Flagg, OCF Enforcement Unit, by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the penalty and costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the civil penalty in this Final Order is imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and is not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED, that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in the Order to Show Cause.



Justin Zimmerman
Commissioner