

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING
Whether there has been a violation of the
5 Securities Act of Washington by:

6 Halcyon Apartments CC4R, LLC,
Paul DeLette Waln Jr.,

7 Respondents

Order No. S-20-2881-20-SC01

8 **STATEMENT OF CHARGES AND NOTICE OF**
9 **INTENT TO ENTER ORDER TO CEASE AND**
10 **DESIST, TO IMPOSE A FINE, AND TO CHARGE**
11 **COSTS**

12 **THE STATE OF WASHINGTON TO:**

Halcyon Apartments CC4R, LLC
Paul DeLette Waln Jr.

13 **STATEMENT OF CHARGES**

14 Please take notice that the Securities Administrator of the state of Washington has reason to believe
15 that Respondents, Halcyon Apartments CC4R, LLC and Paul DeLette Waln Jr., violated the Securities Act
16 of Washington. The Securities Administrator believes these violations justify the entry of an order against
17 Respondents Halcyon Apartments CC4R, LLC and Paul DeLette Waln Jr. to cease and desist from such
18 violations, to impose a fine, and to charge costs pursuant to RCW 21.20.390 and RCW 21.20.395. The
19 Securities Administrator finds as follows:

20 **TENTATIVE FINDINGS OF FACT**

21 **Respondents**

22 1. Halcyon Apartments CC4R, LLC (“Halcyon”) is a Washington entity formed on September
23 29, 2009 that had its principal place of business in Bellevue, Washington. Halcyon was formed to purchase,
refurbish, and rent or re-sell aging apartments and other multi-family properties in premium locations in the
Seattle, Washington area.

1 2. Halcyon and Waln each violated RCW 21.20.140 by offering and/or selling securities for
2 which no registration is on file with the Securities Administrator.

3 3. Waln violated RCW 21.20.040 by offering and/or selling said securities while not being
4 registered as a securities salesperson or broker-dealer in the state of Washington.

5 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

6 Based upon the above Tentative Findings of Fact and Conclusions of Law, the Securities
7 Administrator intends to order, pursuant to RCW 21.20.390(1), that Halcyon Apartments CC4R, LLC and
8 Paul DeLette Waln Jr., and their agents and employees, shall each cease and desist from any violation of
9 RCW 21.20.140 and that Paul DeLette Waln Jr., and his agents and employees, shall each cease and desist
10 from any violation of RCW 21.20.040.

11 **NOTICE OF INTENT TO IMPOSE FINES**

12 Pursuant to RCW 21.20.395, and based upon the Tentative Findings of Fact and Conclusions of Law,
13 the Securities Administrator intends to order that Respondent Paul DeLette Waln Jr. shall be liable for and
14 shall pay a fine of \$25,000.

15 **NOTICE OF INTENT TO CHARGE COSTS**

16 Pursuant to RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of Law,
17 the Securities Administrator intends to order that Paul DeLette Waln Jr. shall be liable for and for and shall
18 pay the costs, fees, and other expenses incurred in the administrative investigation and hearing of this
19 matter, in an amount not less than \$10,000.

20 **AUTHORITY AND PROCEDURE**

21 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject
22 to the provisions of Chapter 34.05 RCW. Halcyon Apartments CC4R, LLC and Paul DeLette Waln Jr. may
23 each make a written request for a hearing as set forth in the Notice of Opportunity for Hearing

1 Administrator intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and
2 to enter a permanent order to cease and desist as to that respondent, to impose any fines sought against that
3 respondent, and to charge any costs sought against that respondent.

4 SIGNED and ENTERED this 6th day of May, 2020

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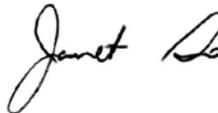
8 _____
9 William M. Beatty
10 Securities Administrator

10 Approved by:

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12 _____
13 Suzanne E. Sarason
14 Chief of Enforcement

10 Presented by:

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13 Janet So
14 Financial Legal Examiner

14 Reviewed by:

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17 Brian J. Guerard
18 Financial Legal Examiner Supervisor