

1	BEFORE THE ARIZONA CORPORATION COMMISSION	
2		
3	<u>COMMISSIONERS</u>	Arizona Corporation Commission
4	KRISTIN K. MAYES, Chairman	OCT 21 2009
5	GARY PIERCE PAUL NEWMAN	DOCKETED BY
6	SANDRA D. KENNEDY BOB STUMP	INR
7	In the matter of:) DOCKET NO. S-20698A-09-0398
8	JORDAN CROSSING PROPERTIES, LLC,)) DECISION NO. 71304
9	an Arizona limited liability company.	
10	CHRIS BLACKFORD and NICOLE BLACKFORD, husband and wife.) ORDER TO CEASE AND DESIST,
11		 ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME
12	Respondents.)) BY: JORDAN CROSSING PROPERTIES,
13) LLC, CHRIS BLACKFORD and NICOLE) BLACKFORD
14)
15		
16	Respondents Jordan Crossing Properties, LLC, Chris Blackford and Nicole Blackford elect to	
17	permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act	
18	of Arizona, A.R.S. § 44-1801 et seq. ("Securities Act") with respect to this Order To Cease and	
19	Desist, Order for Administrative Penalties, and Consent to Same ("Order"). Respondents Jordan	
20	Crossing Properties, LLC, Chris Blackford and Nicole Blackford admit the jurisdiction of the	

Arizona Corporation Commission ("Commission"); admit only for purposes of this proceeding and
any other administrative proceeding before the Commission the Findings of Fact and Conclusions
of Law contained in this Order; and consent to the entry of this Order by the Commission.

τ.

;

	Docket No. 5-20096A-09-09.	
1	I.	-
2	FINDINGS OF FACT	
3	1. JORDAN CROSSING PROPERTIES, LLC ("JORDAN") is an Arizona limit	ed
4	liability company organized on December 31, 2008. JORDAN has its principal place of busine	1
5	in Glendale, Arizona.	
6	2. Pursuant to public records of the Commission, CHRIS BLACKFORD and NICOI	LE
7	BLACKFORD have been members of JORDAN since December 31, 2008.	
8	3. CHRIS BLACKFORD ("BLACKFORD") is an individual who resides in Arizona.	
	 NICOLE BLACKFORD ("N. BLACKFORD") is the spouse of BLACKFORD a 	nd
9	may be referred to as "Respondent Spouse." Respondent Spouse is joined in this action under	
10	A.R S. § 44-2031(C) solely for purposes of determining the liability of the marital community.	
11	the second component that a live for At all times relevant	int.
12		
13	BLACKFORD was acting for his own benefit and for the benefit or in furtherance of the marital	
14	community.	
15	6. JORDAN and BLACKFORD may be referred to as "Respondents."	
16	7. On or about August 8, 2009, Respondents emailed to potential Arizona invest-	
17	("PAI") an advertisement for an investment opportunity in the form of an investment contract	as
18	follows:	
19	Greetings,	
20	We are looking for someone to partner with us in a mini storage complex. I have	
21	spoken to the owner of a mini storage here in town that is interested in selling it.	
22	She will carry the paper for a decent interest rate and flexible terms but, she needs \$200,000 as a down payment to buy out her partner. The potential income from this	
23	property before payments and taxes is about \$15,000/month. Taxes are about	
24	\$1,000/month and the only other monthly need is a \$30 electricity bill, the opening of the gate. There is no office or plumbing. It is a basic mini storage, very low	
25	maintenance.	
26	We need cash partners. We will do all the leg work and your ROI will be 10-50%. Please contact me if you are interested. Thank you.	
	2 Decision No 71304	

The email advertisement also included BLACKFORD as the contact name and an 8. 1 Arizona contact phone number of 623-570-1687. 2

Respondents emailed the unsolicited investment opportunity to at least 191 potential 9. 3 investors. At least one PAI received the unsolicited email advertisement. 4

5

17

18

Respondents told at least one PAI that Respondents would manage the storage facility, 10. which included being an on-site manager that would interact with actual and potential persons who 6 may decide to rent out a unit. The Respondents would also be on-call for the renters in the event 7 they needed something when Respondents were not on site. 8

The Respondents told at least one PAI that the Respondents would also open a bank 9 11. account to manage the investment. 10

Respondents told at least one PAI that the investors would not have any involvement in 12. 11 the investment except for providing investor funds. Respondents planned on splitting the profits 12 50-50 with the investors, which would return to the investors the promised 10-50% ROI. 13

At all times relevant, the Respondents were neither registered as dealers nor salesmen 13. 14 At all times relevant, the investment was not registered with the with the Commission. 15 Commission. 16

II.

CONCLUSIONS OF LAW

The Commission has jurisdiction over this matter pursuant to Article XV of the 1. 19 Arizona Constitution and the Securities Act. 20

Respondents offered or sold securities within or from Arizona, within the meaning of 2. 21 A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26). 22

Respondents violated A.R.S. § 44-1841 by offering or selling securities that were 3. 23 neither registered nor exempt from registration. 24

Respondents violated A.R.S. § 44-1842 by offering or selling securities while neither 4. 25 registered as a dealer or salesman nor exempt from registration. 26

3

71304 Decision No.

Respondents' conduct is grounds for a cease and desist order pursuant to A.R.S. 5. § 44-2032.

Respondents' conduct is grounds for administrative penalties under A.R.S. § 44-6. 2036.

Respondent Blackford acted for the benefit of the marital community and, pursuant 7. to A.R.S. §§ 25-214 and 25-215, this order of administrative penalties is a debt of the community.

III.

ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondents' and Respondent Spouse's consent to the entry of this Order, attached and incorporated by 10 reference, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors: 12

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondents and any of Respondents' agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act.

IT IS FURTHER ORDERED that Respondents and Respondent Spouse comply with the 16 attached Consent to Entry of Order. 17

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents, individually, and the marital community of Blackford and Respondent Spouse, jointly and severally, shall pay an administrative penalty in the amount of \$1,000.00 If the administrative penalty is paid in full within six months from the date of this Order, then the penalty amount shall be reduced to \$500.00. Payment shall be made to the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10 percent per annum from the date of this Order until paid in full. Payment shall be made in full on the date of this Order.

1

2

3

4

5

6

7

8

9

11

13

14

15

18

71304 Decision No.

1	For purposes of this Order, a bankruptcy filing by Respondents or Respondent Spouse shall		
2	be an act of default. If Respondents or Respondent Spouse do not comply with this Order, any		
3	outstanding balance may be deemed in default and shall be immediately due and payable.		
4	IT IS FURTHER ORDERED, that if Respondents or Respondent Spouse fails to comply		
5	with this order, the Commission may bring further legal proceedings against Respondents or		
6	Respondent Spouse, including application to the superior court for an order of contempt.		
7	IT IS FURTHER ORDERED that this Order shall become effective immediately.		
8	BY ORDER OF THE ARIZONA CORPORATION COMMISSION		
9	A.M. (Yeu		
10	CHAIRMAN COMMISSIONER		
11	COMMA SUSE Vandra D. Kenneder		
12	COMMISSIONER COMMISSIONER COMMISSIONER		
13	IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,		
14	Executive Director of the Arizona Corporation		
15	Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the		
16	Capitol, in the City of Phoenix, this <u>2151</u> day of <u>Octo Ben</u> , 2009.		
17	$\leq c$		
18	ERNEST G. JOHNSON		
19	EXECUTIVE DIRECTOR		
20			
21	DISSENT		
22			
23	DISSENT		
24	This document is available in alternative formats by contacting Shaylin A. Bernal, ADA		
25 26	Coordinator, voice phone number 602-542-3931, e-mail <u>sabernal@azcc.gov.</u>		
26	(AV) 5		
	Decision No. 71304		

.

CONSENT TO ENTRY OF ORDER

1. Jordan Crossing Properties, LLC ("Jordan"), Chris Blackford ("Blackford") and Nicole Blackford ("Respondent Spouse") admit the jurisdiction of the Commission over the subject matter of this proceeding. Jordan, Blackford and Respondent Spouse acknowledge that they have been fully advised of their rights to a hearing to present evidence and call witnesses and they knowingly and voluntarily waive any and all rights to a hearing before the Commission and all other rights otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Jordan, Blackford and Respondent Spouse acknowledge that this Order To Cease and Desist, Order for Restitution, Order for Administrative Penalties, and Consent to Same ("Order") constitutes a valid final order of the Commission.

2. Jordan, Blackford and Respondent Spouse knowingly and voluntarily waive any right under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the entry of this Order.

3. Jordan, Blackford and Respondent Spouse acknowledge and agree that this Order is entered into freely and voluntarily and that no promise was made or coercion used to induce such entry.

4. Jordan, Blackford and Respondent Spouse understand and acknowledge that they have a right to seek counsel regarding this Order, and that they have had the opportunity to seek counsel prior to signing this Order. Jordan, Blackford and Respondent Spouse acknowledge and agree that, despite the foregoing, they freely and voluntarily waives any and all right to consult or obtain counsel prior to signing this Order.

Jordan, Blackford and Respondent Spouse admit only for purposes of this proceeding
and any other administrative proceeding before the Commission the Findings of Fact and
Conclusions of Law contained in this Order. Jordan, Blackford and Respondent Spouse agree that
Jordan, Blackford and Respondent Spouse shall not contest the validity of the Findings of Fact and

6

Decision No. _____71304

17

18

19

20

21

1

Conclusions of Law contained in this Order in any present or future administrative proceeding before the Commission. 2

By consenting to the entry of this Order, Jordan and Blackford agree not to take any 6. action or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual basis. Jordan and Blackford will undertake steps necessary to assure that all of their respective agents and employees understand and comply with this agreement. Nothing in this paragraph shall preclude Jordan and Blackford from defending themselves in any administrative, civil or criminal proceedings to which the Commission is not a party.

While this Order settles this administrative matter between Jordan, Blackford and 7. Respondent Spouse, and the Commission, Jordan, Blackford and Respondent Spouse understand that this Order does not preclude the Commission from instituting other administrative or civil proceedings based on violations that are not addressed by this Order.

Jordan, Blackford and Respondent Spouse understand that this Order does not 8. 14 preclude the Commission from referring this matter to any governmental agency for 15 administrative, civil, or criminal proceedings that may be related to the matters addressed by this 16 17 Order.

Jordan, Blackford and Respondent Spouse understand that this Order does not 18 9. preclude any other agency or officer of the state of Arizona or its subdivisions from instituting 19 administrative, civil, or criminal proceedings that may be related to matters addressed by this 20 21 Order.

Jordan and Blackford agree that they will not apply to the state of Arizona for

22

10.

1

3

4

5

6

7

8

9

10

11

12

13

- 23 24
- 25
- 26

71304 Decision No.

7

registration as a securities dealer or salesman or for licensure as an investment adviser or

investment adviser representative until such time as all penalties under this Order are paid in full.

11. Jordan and Blackford agree that they will not exercise any control over any entity that offers or sells securities or provides investment advisory services within or from Arizona until such time as all penalties under this Order are paid in full.

12. Jordan and Blackford agree that they will not sell any securities in or from Arizona without being properly registered in Arizona as a dealer or salesman, or exempt from such registration; Jordan and Blackford will not sell any securities in or from Arizona unless the securities are registered in Arizona or exempt from registration; and Jordan and Blackford will not transact business in Arizona as an investment adviser or an investment adviser representative unless properly licensed in Arizona or exempt from licensure.

13. Jordan, Blackford and Respondent Spouse agree that they will continue to cooperate with the Securities Division including, but not limited to, providing complete and accurate testimony at any hearing in this matter and cooperating with the state of Arizona in any related investigation or any other matters arising from the activities described in this Order.

14. Blackford and Respondent spouse acknowledge that any restitution or penalties imposed by this Order are obligations of the Blackford as well as the marital community of Blackford and Respondent Spouse.

15. Jordan, Blackford and Respondent Spouse consent to the entry of this Order and agree to be fully bound by its terms and conditions.

16. Jordan, Blackford and Respondent Spouse acknowledge and understand that if they fail to comply with the provisions of the order and this consent, the Commission may bring further legal proceedings against them, including application to the superior court for an order of contempt.

17. Jordan, Blackford and Respondent Spouse understand that default shall render Jordan, Blackford and Respondent Spouse liable to the Commission for its costs of collection and interest at the maximum legal rate.

Decision No. 71304

Jordan, Blackford and Respondent Spouse agree and understand that if they fail to 18. 1 make any payment as required in the Order, any outstanding balance shall be in default and shall 2 be immediately due and payable without notice or demand. Jordan, Blackford and Respondent 3 Spouse agree and understand that acceptance of any partial or late payment by the Commission is 4 5 not a waiver of default by Commission. Blackford represents that he is a member of Jordan Crossing Properties, LLC and has 19. 6 been authorized by name of Jordan Crossing Properties, LLC to enter into this Order for and on 7 behalf of it. 8 9 OFFICIAL SEA SHANA D. HENDRIX Chris Blackford VOTARY PUBLIC - State of Arizona 10 MARICOPA COUNTY My Comm. Expires Feb. 14, 2013 11 Nicole Blackford 12 STATE OF ARIZONA)) SS 13 County of) 14 SUBSCRIBED AND SWORN TO BEFORE me by Chris Blackford 15 this <u>As</u>day of <u>Spt</u> , 2009. 16 17 18 My commission expires: 19 2-14-2013 20OFFICIAL SEAL SHANA D. HENDRIX 21 NOTARY PUBLIC - State of Arizona STATE OF ARIZONA) MARICOPA COUNTY) \$\$ My Comm. Expires Feb. 14, 2013 22 County of 23 SUBSCRIBED AND SWORN TO BEFORE me by Nicole Black And 24 this <u>21st</u> day of <u>Sipt</u>, 2009. 25 26 NOTARY PUBLIC 9 71304 Decision No.

	Docket No. S-20698A-09-0398
1	My commission expires:
2	2-14-2013
3	LODD AN CROSSIC DROBERTIES I C
4	JORDAN CROSSING PROPERTIES, LLC, an Arizona limited liability company
5	By:
6	Chris Blackford Its: Manager and Member
7	
8	STATE OF ARIZONA
9) ss County of) G
10	SUBSCRIBED AND SWORN TO BEFORE me this <u>US</u> day of <u>Sipt</u> , 2008.
11	
12	OFFICIAL SEAL SHANA D. HENDRIX NOTARY PUBLIC - State of Arizona
13	NOTARY PUBLIC - State of Arizona MARICOPA COUNTY My Corrm. Expires Feb. 14, 2013
14	My commission expires:
15	J-14-09
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
	10 Decision No. 71304

1	SERVICE LIST FOR:	ORDER TO CEASE AND DESIST, ORDER FOR RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND
2		CONSENT TO SAME BY: JEFFRIE HARPER and KATHLEEN JANICE HARPER
3	DOCKET NO.:	S-20698A-09-0398
4	DOCKET NO	5 200901 - 09-0590
5	Chris and Nicole Blackford	
6	6605 W. Lawrence Ln. Glendale, AZ 85302	
7	Jordan Crossing Properties, LLC	
8	6605 W. Lawrence Ln. Glendale, AZ 85302	
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
		11
		Decision No. 71304

•