

OPEN MEETING ITEM

10/8/09



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COMMISSIONERS  
KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP  
  
ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

ORIGINAL



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ARIZONA CORPORATION COMMISSION

TO: Kristin K. Mayes, Chairman  
Gary Pierce  
Paul Newman  
Sandra D. Kennedy  
Bob Stump

FROM: Mark Dinell *MD*  
Assistant Director of Securities

DATE: September 17, 2009

RE: Proposed Order and Consent Regarding Jordan Crossing Properties, LLC, Chris Blackford, and Nicole Blackford, Docket No. S-20698A-09-0398

CC: Ernest G. Johnson, Executive Director

Arizona Corporation Commission  
DOCKETED  
SEP 25 2009  
DOCKET CONTROL  
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2009 SEP 25 A 10:49  
AZ CORP COMMISSION  
DOCKET CONTROL

Please find attached a proposed Order to Cease and Desist, For Restitution, For Administrative Penalty, and Consent to Same ("Order") regarding Jordan Crossing Properties, LLC ("Jordan"), Chris Blackford ("Blackford"), and Nicole Blackford. Nicole Blackford is named as a part of this action to determine the liability of the marital community.

The Order contains findings that in August 2009 Blackford and Jordan offered a security in the form of an investment contract, which was an investment in a mini storage business. Blackford and Jordan would operate the business while the potential investors would provide the funds. Blackford and Jordan promised a return of 10%-50%. No investors provided funds for this investment.

At the time both Blackford and Jordan offered this security, the security was not registered with the Securities Division and both Blackford and Jordan were not registered as dealers or salesmen. Blackford and Jordan admit for the purposes of this proceeding before the Commission the findings of fact and conclusions of law. Blackford and Jordan have agreed to cease and desist from violating the Arizona Securities Act and to pay an administrative fine in the amount of \$1,000.00.

The Division recommends this Order. The Division believes the Order is appropriate, in the public interest, and necessary for the protection of investors.

Originator: Aikaterine Vervilos

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3 COMMISSIONERS

4 KRISTIN K. MAYES, Chairman  
5 GARY PIERCE  
6 PAUL NEWMAN  
7 SANDRA D. KENNEDY  
8 BOB STUMP

9 In the matter of:

10 JORDAN CROSSING PROPERTIES, LLC,  
11 an Arizona limited liability company.

12 CHRIS BLACKFORD and NICOLE  
13 BLACKFORD, husband and wife.

14 Respondents.

**DOCKET NO. S-20698A-09-0398**

**DECISION NO. \_\_\_\_\_**

**ORDER TO CEASE AND DESIST,  
ORDER FOR RESTITUTION, ORDER  
FOR ADMINISTRATIVE PENALTIES  
AND CONSENT TO SAME**

**BY: JORDAN CROSSING PROPERTIES,  
LLC, CHRIS BLACKFORD and NICOLE  
BLACKFORD**

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 Restitution, Order for Administrative Penalties, and Consent to Same ("Order").  
20 Respondents Jordan Crossing Properties, LLC, Chris Blackford and Nicole Blackford admit the  
21 jurisdiction of the Arizona Corporation Commission ("Commission"); admit only for purposes of  
22 this proceeding and any other administrative proceeding before the Commission the Findings of  
23 Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the  
24 Commission.

25

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I.

FINDINGS OF FACT

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2  
3 1. JORDAN CROSSING PROPERTIES, LLC ("JORDAN") is an Arizona limited  
4 liability company organized on December 31, 2008. JORDAN has its principal place of business  
5 in Glendale, Arizona.

6 2. Pursuant to public records of the Commission, CHRIS BLACKFORD and NICOLE  
7 BLACKFORD have been members of JORDAN since December 31, 2008.

8 3. CHRIS BLACKFORD ("BLACKFORD") is an individual who resides in Arizona.

9 4. NICOLE BLACKFORD ("N. BLACKFORD") is the spouse of BLACKFORD and  
10 may be referred to as "Respondent Spouse." Respondent Spouse is joined in this action under  
11 A.R.S. § 44-2031(C) solely for purposes of determining the liability of the marital community.

12 5. BLACKFORD and N. BLACKFORD are husband and wife. At all times relevant,  
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 investors  
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  
23 \$200,000 as a down payment to buy out her partner. The potential income from this  
24 property before payments and taxes is about \$15,000/month. Taxes are about  
25 \$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  
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.

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

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

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

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

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

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

17 **II.**

18 **CONCLUSIONS OF LAW**

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

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

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

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



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  
10 \_\_\_\_\_  
CHAIRMAN

COMMISSIONER

11  
12 \_\_\_\_\_  
COMMISSIONER

COMMISSIONER

COMMISSIONER

13  
14 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,  
15 Executive Director of the Arizona Corporation  
16 Commission, have hereunto set my hand and caused the  
17 official seal of the Commission to be affixed at the  
18 Capitol, in the City of Phoenix, this \_\_\_\_\_ day of  
19 \_\_\_\_\_, 2009.

20 \_\_\_\_\_  
ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

21 \_\_\_\_\_  
DISSENT

22  
23 \_\_\_\_\_  
DISSENT

24 This document is available in alternative formats by contacting Shaylin A. Bernal, ADA  
25 Coordinator, voice phone number 602-542-3931, e-mail [sabernal@azcc.gov](mailto:sabernal@azcc.gov).

26 (AV)

**CONSENT TO ENTRY OF ORDER**

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

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

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

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

22           5.     Jordan, Blackford and Respondent Spouse admit only for purposes of this proceeding  
23 and any other administrative proceeding before the Commission the Findings of Fact and  
24 Conclusions of Law contained in this Order. Jordan, Blackford and Respondent Spouse agree that  
25 Jordan, Blackford and Respondent Spouse shall not contest the validity of the Findings of Fact and  
26

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

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

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

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

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

22 10. Jordan and Blackford agree that they will not apply to the state of Arizona for  
23 registration as a securities dealer or salesman or for licensure as an investment adviser or  
24 investment adviser representative until such time as all penalties under this Order are paid in full.

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

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

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

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

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

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

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

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1 18. Jordan, Blackford and Respondent Spouse agree and understand that if they fail to  
2 make any payment as required in the Order, any outstanding balance shall be in default and shall  
3 be immediately due and payable without notice or demand. Jordan, Blackford and Respondent  
4 Spouse agree and understand that acceptance of any partial or late payment by the Commission is  
5 not a waiver of default by Commission.

6 19. Blackford represents that he is a member of Jordan Crossing Properties, LLC and has  
7 been authorized by name of Jordan Crossing Properties, LLC to enter into this Order for and on  
8 behalf of it.



*[Handwritten Signature]*  
\_\_\_\_\_

Chris Blackford

*[Handwritten Signature]*  
\_\_\_\_\_

Nicole Blackford

12 STATE OF ARIZONA )  
13 ) ss  
14 County of )

15 SUBSCRIBED AND SWORN TO BEFORE me by Chris Blackford  
16 this 21st day of Sept, 2009.

*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC

18 My commission expires:  
19 2-14-2013



21 STATE OF ARIZONA )  
22 ) ss  
23 County of )

24 SUBSCRIBED AND SWORN TO BEFORE me by Nicole Blackford  
25 this 21st day of Sept, 2009.

*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC

1 My commission expires:

2 2-14-2013

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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 )

10 SUBSCRIBED AND SWORN TO BEFORE me this 21st day of Sept, 2008.

11



  
NOTARY PUBLIC

14 My commission expires:

15 2-14-09

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SERVICE LIST FOR:

ORDER TO CEASE AND DESIST, ORDER FOR RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME BY: JEFFRIE HARPER and KATHLEEN JANICE HARPER

DOCKET NO.:

S-20698A-09-0398

Chris and Nicole Blackford  
6605 W. Lawrence Ln.  
Glendale, AZ 85302

Jordan Crossing Properties, LLC  
6605 W. Lawrence Ln.  
Glendale, AZ 85302