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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING) Order No.: S-19-2672-20-CO01
Whether there has been a violation of the)
Securities Act of Washington by:) CONSENT ORDER AS TO
) JEFFERY ALLEN HUSTON;
Jeffery Allen Huston;) 3D MONEY, LLC;
3D Money, LLC;) AEHK, LLC;
AEHK, LLC;) MAPLEWOOD OFFERING, LLC; AND
Maplewood Offering, LLC;) SUNRISE CAPITAL, LLC
Sunrise Capital, LLC,)
Respondents.)

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INTRODUCTION

Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division of the Washington State Department of Financial Institutions (Securities Division) and Respondents Jeffery Allen Huston (Huston), 3D Money, LLC, AEHK, LLC, Maplewood Offering, LLC, and Sunrise Capital, LLC (3D Money Companies) do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondents Huston and 3D Money Companies neither admit nor deny the findings of fact and conclusions of law as stated below:

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FINDINGS OF FACT

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Respondents

1. Jeffery Allen Huston is a resident of Litchfield, Minnesota. Huston is a part owner of 3D Money, LLC and the manager of AEHK, LLC, Maplewood Offering, LLC, and Sunrise Capital, LLC. Huston was a registered representative for multiple broker-dealers for an 11-year period ending in 2008.

2. 3D Money, LLC is a Minnesota entity formed on May 8, 2007, with its principal place of business in Litchfield, Minnesota. 3D Money describes itself as an alternative investment company specializing in real estate. 3D Money states on its website that it is “dedicated to searching out value-add,

1 cash flow opportunities in real property,” and that through its “expanding portfolio, we provide [customers]
2 with options to fit [their] unique goals.” 3D Money states that customers can “secure [their] ticket to a worry
3 free approach to investing” by using “3D Money’s proven wealth building strategy.” 3D Money finds
4 workforce housing properties, invests in and renovates them, and then rents them out through an affiliate
5 entity using the name “Suite Liv’n Apartments.”

6 3. Maplewood Offering, LLC is a Minnesota entity formed on March 7, 2017, with its principal
7 place of business in Litchfield, Minnesota. Maplewood Offering, LLC is managed by Huston and 3D
8 Money and was formed for the purpose of financing 3D Money’s acquisition of a multifamily rental
9 property in Willmar, Minnesota.

10 4. AEHK, LLC is a Minnesota entity formed on August 28, 2017, with its principal place of
11 business in Litchfield, Minnesota. AEHK, LLC is managed by Huston and 3D Money and was formed for
12 the purpose of financing 3D Money’s acquisition of a multifamily rental property in Spicer, Minnesota.

13 5. Sunrise Capital, LLC is a Minnesota entity formed on July 18, 2018, with its principal place
14 of business in Litchfield, Minnesota. Sunrise Capital, LLC is managed by Huston and 3D Money and was
15 formed for the purpose of financing 3D Money’s acquisition of a multifamily rental property in Marshall,
16 Minnesota.

18 **Nature of the Conduct**

19 **Overview**

20 6. Around February 2017, Respondents Huston and 3D Money Companies informally engaged
21 an investment adviser and investment adviser representative (Representative) to introduce potential
22 investors to investments in a number of offerings. Respondents’ offerings consisted of promissory notes
23 with a three-year term at a set interest rate. Respondents’ offerings were project-specific, with each offering
24 relating to a specific property Respondents would acquire, renovate, and lease to tenants. Respondents filed
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1 Form D Notices of Exempt Offering with the Securities and Exchange Commission claiming a 506(b)
2 exemption for each of its offerings that included Washington investors.

3 7. The Representative previously entered into a consent order with the Securities Division on
4 June 27, 2016 for selling unregistered securities and for making false or misleading statements or omissions
5 in the sale of these securities, in violation of the registration and anti-fraud sections of the Securities Act of
6 Washington. A copy of such orders are available to the public on the Securities Division's website. An
7 issuer is unable to claim a Rule 506 exemption under federal securities laws for an offering if it uses a
8 compensated solicitor subject to a "disqualifying event," including final orders by state securities regulators
9 based on fraudulent, manipulative, or deceptive conduct issued within ten years of the issuer's offering.

10 8. Respondent Huston appeared on the Representative's podcast in February 2017. On this
11 podcast, Respondent Huston explained the types of properties purchased by Respondents, the deal length
12 for Respondents' offerings, and the benefits of this type of investment. This interview was hosted on the
13 Representative's publicly available website. Prior to the recording of the podcast, the host emailed
14 Respondent Huston guidelines for the interview, including an admonition not to "turn it into a pitch fest,"
15 because "[i]t should be conversation[,] then we can weave in the offer or product throughout the interview
16 or at the end."

17 9. Respondents Huston and 3D Money emailed executive summaries to the Representative for
18 their offerings. These summaries would outline information about the offering, including the amount of
19 capital Respondent 3D Money was seeking to raise in the offering, a description of its property, the offering
20 costs, the housing market in the area, and the due diligence on the property performed by an affiliated
21 company. The summaries did not expressly disclose the actual risks related to the offerings.
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23 10. The Representative hosted webinars about "bridge loans" and other investment opportunities.
24 At least one of the two Washington investors who invested in the 3D Money Companies contacted the
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1 Representative after he watched one of these seminars. After this initial contact, the Representative gave
2 the Washington investor information about a number of investment opportunities. The Representative
3 helped one of the Washington investors to roll over his individual retirement account to another custodian
4 to enable him to invest with Respondents.

5 11. Respondent Huston spoke with the investors over the phone after being given referral contact
6 information that included the investors' investment objectives, employment, and level of income.
7 Respondents received a "New Investor Information Form" from the Representative containing this
8 information. The Representative also included on this form the amount the investor would invest in the
9 Respondents' offering. After this introduction, the Representative and her employees acted as
10 intermediaries between both investors and Respondents. For one investor, the Representative introduced
11 the investor to Respondents through an email outlining the basic terms of the promissory note and the return
12 the investor could expect. For at least one investor, Respondent Huston did not ask questions that would
13 have allowed Respondents to establish whether this investment would be suitable for the investor, such as
14 those related to the investor's background, income, or investment goals.
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16 12. Respondents were required to provide non-accredited investors with certain audited financial
17 statements prior to investing in the offering to comply with the exemption that Respondents claimed.
18 Respondents did not provide these financial statements to the non-accredited investors.

19 13. The Representative similarly introduced and discussed the terms of Respondents' offerings
20 with five other Washington residents. These Washington residents did not invest with Respondents.

21 14. One Washington investor invested \$137,000.00 in AEHK and \$86,000.00 in Sunrise Capital,
22 more than half of the funds in his individual retirement account. The investor was imminently about to
23 retire, and intended to use his investments to produce income for his retirement. The other Washington
24 investor invested \$50,000.00 in Maplewood Offering. Respondents paid the Representative four percent of
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1 the amount each Washington investor invested with Respondents. Respondents did not pay the
2 Representative any amount for the Washington residents who did not invest with Respondents.

3 15. Respondents did not disclose to investors that Representative had entered into the consent
4 order with the Division, or the nature of the consent order.

5 16. Respondents did not disclose to investors that Respondents paid to attend and sponsor the
6 Representative's seminars. The lack of disclosure concealed a conflict of interest created in the
7 Representative's recommendation of the Respondents' offerings to investors.

8 **Registration and Exemption Status**

9 17. Respondents are not currently registered to sell their securities in the state of Washington and
10 have not previously been so registered, and Respondents are unable to claim an exemption from registration
11 because it used a bad actor under federal securities regulations in its offerings. Additionally, Respondents
12 would be unable to claim an exemption because it generally solicited sales of its securities, and because it
13 did not provide required financial disclosures to non-accredited investors.

14 18. Respondents Huston and 3D Money are not currently registered as securities salespersons or
15 broker-dealers in the state of Washington and have not previously been so registered.

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17 Based upon the above findings of fact, the following conclusions of law are made:

18 **CONCLUSIONS OF LAW**

19 1. The offer and/or sale of the promissory notes described above constitute the offer and/or sale
20 of a security as defined in RCW 21.20.005(14) and (17).

21 2. Respondents Huston and 3D Money Companies have each violated RCW 21.20.140, because,
22 as set forth in the findings of fact, Respondents offered and/or sold securities for which no registration is
23 on file with the Securities Administrator.
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1 3. Respondents Huston and 3D Money have each violated RCW 21.20.040 by offering and
2 selling said securities while not being registered as securities salespersons or broker-dealers in the state of
3 Washington.

4 4. Respondents Huston and 3D Money Companies have each violated RCW 21.20.010, because,
5 as set forth in the findings of fact, Respondents made untrue statements of material fact or omitted to state
6 material facts necessary to make the statements made, in light of the circumstances in which they were
7 made, not misleading.

8 Based upon the foregoing and finding it in the public interest:

9 **CONSENT ORDER**

10 IT IS AGREED AND ORDERED that Respondents Huston and 3D Money Companies, and their
11 agents and employees, each shall cease and desist from violating RCW 21.20.140, the securities registration
12 section of the Securities Act of Washington.

13 IT IS FURTHER AGREED AND ORDERED that Respondents Huston and 3D Money, and their
14 agents and employees, each shall cease and desist from violating RCW 21.20.040, the securities salesperson
15 and broker-dealer registration section of the Securities Act of Washington.

16 IT IS FURTHER AGREED AND ORDERED that Respondents Huston and 3D Money Companies,
17 and their agents and employees, each shall cease and desist from violating RCW 21.20.010, the anti-fraud
18 section of the Securities Act of Washington.

19 IT IS FURTHER AGREED AND ORDERED that Respondents Huston and 3D Money Companies
20 shall be jointly and severally liable for and shall pay a fine of \$8,875.00 on or before the entry of this
21 Consent Order.
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1 IT IS FURTHER AGREED AND ORDERED that Respondents Huston and 3D Money Companies
2 shall be jointly and severally liable for and shall pay the actual investigative costs incurred of \$4,437.50 on
3 or before entry of this Consent Order.

4 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent Order.

5 IT IS FURTHER AGREED that Respondents Huston and 3D Money Companies entered into this
6 Consent Order freely and voluntarily and with a full understanding of its terms and significance.

7 IT IS FURTHER AGREED that in consideration of the foregoing, that Respondents Huston and 3D
8 Money Companies waive their right to a hearing and to judicial review of this matter pursuant to RCW
9 21.20.440 and Chapter 34.05 RCW.
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11 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

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14 Signed this 14 day of May, 2020.

15 Signed by:

16 3D Money, LLC

AEHK, LLC

17 /s/

18 Jeffery Allen Huston
19 Owner

/s/

Jeffery Allen Huston
20 Manager

21 Maplewood Offering, LLC

Sunrise Capital, LLC

22 /s/

23 Jeffery Allen Huston
24 Manager

/s/

Jeffery Allen Huston
25 Manager

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Signed by:

/s/
Jeffery Allen Huston
Individually

Approved as to form by:

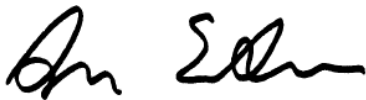
/s/
Alexis Firehawk, Attorney for Jeffery Allen Huston, 3D Money, LLC, AEHK, LLC, Maplewood Offering, LLC, and Sunrise Capital, LLC
State Bar of Arizona License #

SIGNED and ENTERED this 28th day of May, 2020.



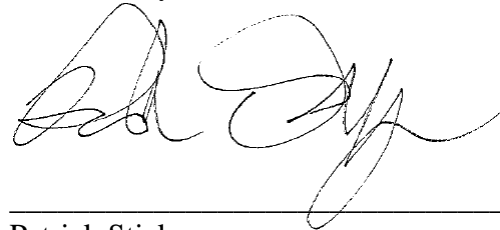
William Beatty
Securities Administrator

Approved by:



Suzanne Sarason
Chief of Enforcement

Presented by:



Patrick Stickney
Financial Legal Examiner

Reviewed by:



Jack McClellan
Financial Legal Examiner Supervisor