IN THE MATTER OF:

ANCHORED TINY HOMES

FRANCHISING LLC

*

("Respondent") * MATTER NO. CS-24-202453-B

STOP ORDER DENYING

EFFECTIVENESS TO A BUSINESS

OPPORTUNITY REGISTRATION

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner ("Commissioner") is charged with the administration of Chapter 672c of the General Statutes of Connecticut, the Connecticut Business Opportunity Investment Act ("Act");

WHEREAS, the Commissioner, through the Securities and Business Investments Division ("Division") of the Department of Banking, conducted an investigation of Respondent, its officers, agents, representatives and employees, pursuant to Section 36b-71(a) of the Act, to determine if any of them have violated or were about to violate the provisions of the Act;

WHEREAS, on January 17, 2025, based on the investigation by the Division, the Commissioner, acting pursuant to Sections 36b-68(a) and 36b-72(a) of the Act, issued a Notice of Intent to Issue a Stop Order Denying Effectiveness to a Business Opportunity Registration, Order to Cease and Desist, and Notice of Right to Hearing (collectively "Notice") against Respondent, which Notice is incorporated by reference herein;

WHEREAS, on January 21, 2025, the Notice ("Mailing 1") was mailed by certified mail, return receipt requested, to the Respondent's last known address as reported to the Division, 4401 Hazel Avenue, Suite 225, Fair Oaks, California 95628 (Certified Mail No.9589 0710 5270 0567 2697 63);

WHEREAS, the Notice provided Respondent with the opportunity for a hearing, and stated, *inter alia*, that the Commissioner would issue a stop order denying effectiveness to the business opportunity registration of Anchored Tiny Homes Franchising LLC in Connecticut if a hearing was not requested within fourteen days following receipt of the Notice;

WHEREAS, on February 18, 2025, Mailing 1 was returned to the Department of Banking marked "Return to Sender – No Such Number, Unable to Forward";

WHEREAS, on February 19, 2025, the Notice ("Mailing 2") was mailed by certified mail, return receipt requested, to the Respondent at a second identified address: 401 Hazel Avenue, Suite 225, Fair Oaks, California 95628, (Certified Mail No.7022 2410 0000 9598 4627);

WHEREAS, on March 5, 2025, Mailing 2 was returned to the Department of Banking marked "Return to Sender – Not Deliverable as Addressed, Unable to Forward";

WHEREAS, on March 14, 2025, the Notice was served on the Commissioner, and on March 14, 2025, in accordance with Section 36b-62(e) of the Act, Notice of Service on the Banking Commissioner, dated March 14, 2025 ("Notice of Service"), was sent by certified mail, return receipt requested to Respondent (Certified Mail No. 7022 2410 0000 9598 4672; Certified Mail No. 7022 2410 0000 9598 4689) at both addresses on file;

WHEREAS, on April 2, 2025, both Notices of Service were returned to the Department of Banking marked "Return to Sender-Vacant- Unable to Forward";

WHEREAS, Respondent has failed to request a hearing on the matters set forth in the Notice within 14 days of the date of the Notice of Service;

WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies ("Regulations") provides, in pertinent part, that:

When a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies.

WHEREAS, Section 36b-68(a) of the Act provides, in part, that: "The commissioner may issue a stop order denying effectiveness to... any business opportunity registration if the commissioner finds that:

(1) Such order is in the public interest; (2) such order is necessary for the protection of purchaser-investors or prospective purchaser-investors; [or] (3) the registration of the business opportunity is incomplete in any material respect but is not abandoned pursuant to subsection (e) of this section;"

WHEREAS, Section 36b-67(1) of the Act provides, in part, that: "No person shall in connection with the sale or offer for sale of a business opportunity: (1) Sell or offer for sale a business opportunity in this state or from this state unless it has first has been registered with the commissioner and declared effective by the commissioner in accordance with the provisions of section 36b-62;"

WHEREAS, on April 28, 2025, a Certification was issued rendering the Order to Cease and Desist contained in the Notice permanent as of March 24, 2025, which certification is incorporated by reference herein;

WHEREAS, the Commissioner found in the Order to Cease and Desist that with respect to the activity described therein, Respondent violated Sections 36b-62(a) and 36b-67(1) of the Act;

WHEREAS, the Commissioner finds that, as a result of the Investigation, grounds existed to deny the renewal registration application of the Respondent pursuant to Section 36b-68(a) of the Act;

WHEREAS, Section 36b-68(c) of the Act, provides, in relevant part, that "[n]o stop order may be entered under this section except as provided in subsection (b) of this section without: (1) Appropriate prior notice to the applicant or registrant of a business opportunity; (2) opportunity for a hearing; and (3) the issuance of written findings of fact and conclusions of law by the commissioner";

WHEREAS, the Commissioner finds that the facts as set forth in paragraphs 6 through 10, inclusive, of the Notice, shall constitute findings of fact, within the meaning of Section 36b-68(c) of the

Act and Section 4-180(c) of the General Statutes of Connecticut, that the statutory basis for the Notice set forth in paragraphs 11 through 18 [sic], inclusive, of the Notice shall constitute conclusions of law, within the meaning of Section 36b-68(c) of the Act and Section 4-180(c) of the General Statutes of Connecticut, and that the allegations set forth in the Notice are deemed admitted pursuant to Section 36a-1-31(a) of the Regulations;

AND WHEREAS, the Commissioner finds that Respondent's Application for the renewal of its business opportunity registration was incomplete and that Respondent wilfully violated Sections 36b-62(a) and 36b-67(1) of the Act.

II. ORDER

THE COMMISSIONER THEREFORE ORDERS that the effectiveness of the business opportunity registration of "Anchored Tiny Homes Franchising LLC" be and is hereby **DENIED**, and that this Order shall become final when mailed.

Issued at Hartford, Connecticut, this 28th day of April 2025.

Jorge Perez
Banking Commissioner

This Order was sent by certified mail, return receipt requested, to Respondent on May 1, 2025.

Anchored Tiny Homes Franchising LLC 4401 Hazel Avenue, Suite 225, Fair Oaks, California 95628.

Certified Mail No. 9589 0710 5270 1542 9225 81

Anchored Tiny Homes Franchising LLC 401 Hazel Avenue, Suite 225, Fair Oaks, California 95628.

Certified Mail No. 9589 0710 5270 1542 9264 35