

**STATE OF NEW HAMPSHIRE
BUREAU OF SECURITIES REGULATION
DEPARTMENT OF STATE
CONCORD, NEW HAMPSHIRE**

IN THE MATTER OF:

**III to I Emerging Market Partners
Real Estate Investment Fund I, LP**

RESPONDENT

I-2011000024

CONSENT ORDER

- I. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, III to I Emerging Market Partners Real Estate Investment Fund I, LP (hereinafter referred to as "Emerging Market Partners"), has submitted an offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as "the Bureau") has determined to accept. Accordingly, Emerging Market Partners does hereby consent to the following findings, conclusions, undertakings and sanctions:

The Facts

1. In August 2006, Emerging Market Partners was organized as a domestic limited partnership in the State of Texas.
2. According to Emerging Market Partners' Form D and the fund's website, Emerging Market Partners is an investment fund specializing in acquiring an interest in commercial real estate. Emerging Market Partners' principal place of business is 6900 N. Dallas Parkway, Suite 625, Plano, TX 75024.
3. On October 24, 2006, Emerging Market Partners made its first sale of its securities to a New Hampshire resident. The New Hampshire resident to whom these securities were sold was an accredited investor.
4. On October 31, 2006, Emerging Market Partners submitted a notice filing to the Bureau pursuant to Section 18(b)(4)(D) of the Securities Act of 1933 and Section 421-B:11, I-a(e) of the New Hampshire Uniform Securities Act. This notice filing included a Notice of Sales of Securities Pursuant to Regulation D, a Uniform Consent

to Services of Process, and a check for payment of the filing fee in the amount of \$500.

5. At the time of the notice filing, Emerging Market Partners' total offering was \$40,000,000 in limited partnership interests, \$5,035,000 of which had already been sold.
6. At the time of the notice filing, Emerging Market Partners had made sales of its limited partnership interests to two (2) accredited investors in New Hampshire for a total of \$75,000.
7. On December 1, 2006, Emerging Market Partners sent an amended Form D to the Bureau of Securities Regulation. This amendment indicated that Emerging Market Partners had sold \$25,000 of its limited partnership interests to one (1) new accredited investor in New Hampshire.
8. As of December 1, 2006, Emerging Market Partners had a total of three (3) investors in New Hampshire and had sold \$100,000 of its limited partnership interests to these investors.
9. Between October 31, 2006 and December 1, 2006, Emerging Market Partners sold an additional \$5,141,000.53 of its limited partnership interests to increase the total amount sold to \$10,176,000.53.
10. On October 31, 2007, pursuant to New Hampshire RSA 421-B:31, I-h and RSA 421-B:31, IV, Emerging Market Partners was required to submit either an annual renewal notice filing fee for the sale of its securities or to file notice of the termination of its offering.
11. From October 31, 2006 until today, the Bureau did not receive any annual renewal notice filing fees or notice of termination from Emerging Market Partners.
12. Between September 1, 2010 and January 1, 2011, the Bureau sent three (3) renewal reminders to Emerging Market Partners, but the Bureau received no response from Emerging Market Partners for any of these correspondences.
13. On October 12, 2011, the Bureau sent an offer of settlement without further proceedings, via certified mail, to Emerging Market Partners. The notice required that Emerging Market Partners conclude the matter to avoid an administrative proceeding and the potential imposition of additional fines and penalties. A return receipt for this letter was received by the Bureau on October 31, 2011, but the Bureau received no response to this demand and no other related correspondence from Emerging Market Partners.
14. On May 24, 2013, the Bureau sent notice to Emerging Market Partners that it had failed to properly renew or terminate its offering in the State of New Hampshire

pursuant to RSA 421-B:11, I-a(e) and RSA 421-B:31, IV. The letter offered to settle the matter with a Consent Order and an administrative fine.

The Law

1. Pursuant to New Hampshire RSA 421-B:11, it is unlawful for any person to offer or sell any security in this state unless the security is registered pursuant to RSA 421-B, the security or transaction is exempted under RSA 421-B:17, or the security is a federally covered security for which the fee has been paid and documents have been filed as required by RSA 421-B:11, I-a. Respondent Emerging Market Partners is subject to this section.
2. Emerging Market Partners properly notice filed with the Bureau pursuant to N.H. RSA 421-B:11, I-e in 2006 on October 31, 2006.
3. Pursuant to RSA 421-B:31, I-h and RSA 421-B:31, IV, any sale of covered securities under section 18(b)(4)(D) of the Securities Act of 1933 must be renewed annually or terminated and a final sales report must be submitted within 60 days of the termination of the offering.
4. Emerging Market Partners, pursuant to RSA 421-B:31, I-h failed to submit annual renewal notice filing fees on or after the expiration of the initial offering period, which ended on October 31, 2007.
5. Pursuant to RSA 421-B:31, IV, Emerging Market Partners failed to submit notice of termination to the Bureau on or after the expiration of the initial offering period, which ended on October 31, 2007. Failure to properly terminate shall result in a penalty of \$25 each day of delinquency; however this fine may be abated by the secretary of state.

II. In view of the foregoing, the Respondent agrees to the following undertaking and sanctions:

1. Respondent agrees that that they have voluntarily consented to the entry of this Order and represent and aver that no employee or representative of the Bureau has made any promise, representation or threat to induce their execution.
2. Respondent agrees to waive their right to an administrative hearing and any appeal therein under this chapter.
3. Respondent agrees that this Order is entered into for purpose of resolving only the matter as described herein. This Order shall have no collateral estoppel, res judicata or evidentiary effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Order shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to

conduct by Respondent which the Bureau has no knowledge at the time of the date of final entry of this Order.

4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this consent order or create the impression that the consent order is without factual basis. Nothing in this provision affects Respondent's testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.
5. Respondent agrees to cease and desist from further violations under this chapter pursuant to RSA 421-B:23.
6. Respondent shall submit payment to the State of New Hampshire for six (6) years of annual renewal notice filing fees at a cost of \$500 per year, pursuant to RSA 421-B:31, I-h, to bring this file up to date. The total cost to bring this file up to date is Three Thousand Dollars (\$3,000).
7. Respondent has consented to pay an administrative fine in the amount of Two Thousand Dollars (\$2,000) for failure to file a timely renewal.
8. Upon execution of this order by Respondent, Respondent agrees to pay a total of Five Thousand Dollars (\$5,000) to the State of New Hampshire, which will be applied to settlement of the above-captioned matter. Payment was made by 1) certified check; 2) made payable to the State of New Hampshire; and 3) mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.
9. Upon execution of this order by Respondent, Respondent will promptly terminate the offering pursuant to RSA 421-B:31, IV and will submit a final sales report within 60 days of the termination date. Failure to do so may result in additional penalties, pursuant to RSA 421-B:31, IV-a.

III. Based on the foregoing, the Bureau deems it appropriate and in the public interest to accept and enter into this Order. **THEREFORE, IT IS HEREBY ORDERED THAT:**

1. Respondent cease and desist from further violations of the act pursuant to RSA 421-B:23.
2. Respondent pay annual renewal notice filing fees and an administrative fine in the amount of Five Thousand Dollars (\$5,000) within 10 days of the execution of this order.
3. Respondent provide notice of termination within 10 days of the execution of this order and submit a final sales report within 60 days.
4. Respondent comply with the above-referenced undertakings.

Executed this 18th day of June, 2013.

Michelle Baird

on behalf of Emerging Market Partners

(Please print name below:

Michelle Baird

Entered this 20th day of June, 2013.

Barry Glennon

Barry Glennon, Director

N.H. Bureau of Securities Regulation