

BEFORE THE REAL ESTATE DIVISION OF THE STATE OF UTAH

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DIVISION OF REAL ESTATE OF	:	ORDER TO CEASE
THE DEPARTMENT OF COMMERCE	:	AND DESIST
OF THE STATE OF UTAH, BY	:	
AND THROUGH ITS DIRECTOR,	:	
DEANNA SABEY,	:	
	:	
Plaintiff,	:	
	:	
vs.	:	Case No. RE-11-53015
	:	
JORDAN MADDOCKS and	:	
SNOWBALL INVESTMENTS 2, LLC	:	
DBA PRIMARY RESIDENTIAL	:	
MANAGEMENT, PROPERTY	:	
MANAGEMENT	:	
DBA KEYRENTER	:	
	:	
Respondents	:	

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FINDINGS OF FACT AND CONCLUSIONS OF LAW

Pursuant to investigation by the Utah Division of Real Estate of the Department of Commerce of the State of Utah and upon receipt of information therefrom, the Director of the Utah Division of Real Estate has reason to believe the above-named Respondents diverted money from the purpose for which the money was received, to wit: Grossly mismanaged and diverted monies for the benefit of the Respondents from the trust account of Snowball Investments 2, LLC, DBA Primary Residential Management, Keyrenter Property Management Trust Account, account number 000004210123892 of JP Morgan Chase Bank.

The Director concludes that such acts constitute a violation of Utah Code Ann. § 61-2f-401(4)(c), et seq., and the rules promulgated thereunder, and that such acts constitute a threat to the public. It also appears that it would be in the public interest to stop such acts. To wit:

1. Respondent deposited money that came into Respondents' possession belonging to others into the aforementioned trust account, then diverted said money into Respondents' Operating account for the benefit of the Respondents. Specifically,

Respondents transferred money to be held in trust from account number 000004210123892 of JP Morgan Chase Bank, into Snowball Investments 2, LLC DBA Primary Residential Management, account number 000004210123909 of JP Morgan Chase Bank for the benefit of the Respondents.

2. Respondents diverted cash in amounts totaling approximately \$100,000.00 from the trust account to pay for travel, meals, and computers and to cover payroll and other company and personal expenses.
3. Respondents continue to divert trust money for Respondents' own use.

The following Order is issued pursuant to the provisions of Utah Code Ann. § 61-2f-407 and Utah Code Ann. § 63G-4-503:

ORDER

IT IS HEREBY ORDERED that the above-named Respondents and any officers, agents, servants, employees and those persons in active concert or participation with Respondents, now,

CEASE AND DESIST from making payments, withdrawals or transfers of any and all money from the trust account of Snowball Investments 2, LLC, DBA Primary Residential Management, Keyrenter Property Management Trust Account, account number 000004210123892 and 00000890472905 both of JP Morgan Chase Bank, or any other account maintained by Respondents.

Further, CEASE AND DESIST receiving, accepting or remitting any security, cleaning or pet deposits, rents, or any other money intended to be held in trust or on behalf of any other person or entity.

Further, CEASE AND DESIST from using, paying, transferring, diverting, withdrawing, forwarding, accepting or depositing any money received by Respondents to be held in trust or on behalf of any other person or entity, including but not limited to any money that has not yet been but may be received by Respondents, any money transferred from the trust account of Snowball Investments 2, LLC, DBA Primary Residential Management, Keyrenter Property Management Trust Account, account number 000004210123892 of JP Morgan Chase Bank, into the operating account of Snowball Investments 2, LLC DBA Primary Residential Management, account number 000004210123909 of JP Morgan Chase Bank, and any money previously received by Respondents for security, cleaning or pet

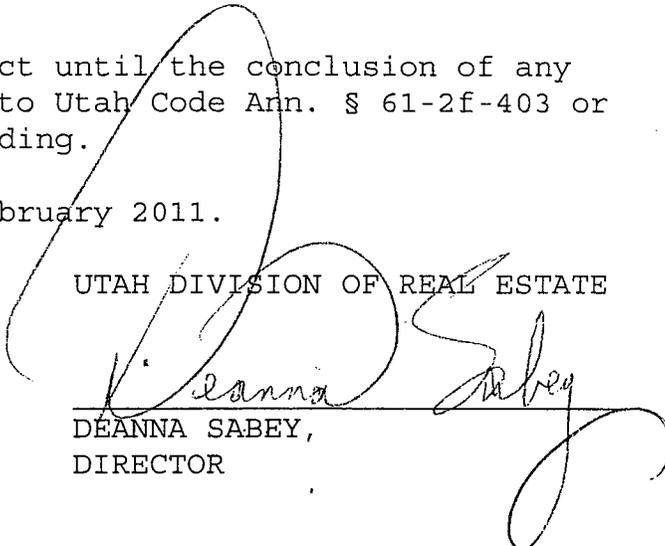
deposits, rents, or any other money intended to be held in trust or on behalf of any other person or entity that was remitted, paid, or deposited into any other account, investment or expenditure.

Further, CEASE AND DESIST from using, transferring or selling any other money, property, accounts, investments, or other assets acquired by Respondents or any third party with any money received by Respondents that was to be held in trust or on behalf of any person or entity.

This Order shall remain in effect until the conclusion of any proceedings initiated pursuant to Utah Code Ann. § 61-2f-403 or 61-2f-407 or any related proceeding.

Dated this 3rd day of February 2011.

UTAH DIVISION OF REAL ESTATE

  
DEANNA SABEY,  
DIRECTOR

