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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: Susan G. Carter, President  
Brichthin Mountain Properties, LLC  
415 Laurel Street #102  
San Diego, CA 92101

**DESIST AND REFRAIN ORDER**  
**(For violation of sections 25110 and 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

- 1. Brichthin Mountain Properties, LLC (“Brichthin”) is a limited liability company organized under the laws of California on November 4, 2005.
- 2. At all relevant times, Susan G. Carter (“Carter”) was the president and control person of Brichthin.
- 3. Beginning in January 2006 or earlier, Brichthin, through Carter, offered and sold securities in the form of interests in a limited liability company, namely, Brichthin Mountain Properties, LLC.
- 4. According to Brichthin’s “Private Offering Memorandum” (“Memorandum”), Brichthin’s sole non-cash asset is a single-family home located at 27573 North Bay Road, Lake Arrowhead, California. The Memorandum states that Brichthin was formed to invest in, manage, rent, and maintain this property for vacation rentals. The Memorandum claims that Carter purchased the property for \$475,000.

1           5.       According to the Memorandum, “all expenses and management will be the obligation  
2 of the original organizer” to the exclusion of the investors. The original organizer would also have  
3 total discretion over the rental arrangements.  
4

5           6.       According to the Memorandum, investors were guaranteed monthly income of \$500  
6 for three years. Each investor would own 5% equity in the property, which would be paid out to the  
7 investor upon the sale of the property.  
8

9           7.       Carter and Brichthin sold these securities to at least two California residents for  
10 \$15,000 each.  
11

12           8.       These securities were offered or sold in this state in issuer transactions. The  
13 Department of Corporations has not issued a permit or other form of qualification authorizing any  
14 person to offer and sell these securities in this state.  
15

16           9.       In connection with the sale of these securities, Brichthin and Carter misrepresented  
17 that the limited liability company owned the property located at 27573 North Bay Road in Lake  
18 Arrowhead. In fact, neither Brichthin nor Carter has ever owned that property; instead, at all relevant  
19 times it was owned by Timothy S. Braun.  
20

21           10.      In connection with the sale of these securities, Brichthin and Carter misrepresented  
22 that each investor would receive monthly profits of \$500 for at least three years. In fact, one investor  
23 has never received any monthly profits and another investor received monthly profits for only a few  
24 months.  
25

26           11.      In connection with the sale of these securities, Carter omitted to disclose that in July  
27 2005, she had been convicted of six felony counts in Orange County Superior Court: one count of  
28 second degree burglary, three counts of non-sufficient funds, and two counts of grand theft.

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2           12.     Beginning in or about March 2006 and continuing until the present, at least two  
3 investors have contacted Carter repeatedly to request the withdrawal of their investments and monthly  
4 payments. To date, Carter has not returned either investor's original investment.

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6           Based upon the foregoing findings, the California Corporations Commissioner is of the opinion  
7 that the interests in a limited liability company that are being or have been offered or sold by Brichthin  
8 Mountain Properties, LLC and Susan G. Carter are securities subject to qualification under the  
9 California Corporate Securities Law of 1968 and are being or have been offered or sold without being  
10 qualified in violation of Corporations Code section 25110. Pursuant to section 25532 of the Corporate  
11 Securities Law of 1968, Brichthin Mountain Properties, LLC and Susan G. Carter are hereby ordered  
12 to desist and refrain from the further offer or sale in the State of California of securities, including but  
13 not limited to interests in a limited liability company, unless and until qualification has been made  
14 under the law or unless exempt.

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16           Further, the California Corporations Commissioner is of the opinion that the securities that are  
17 being or have been offered or sold by Brichthin Mountain Properties, LLC and Susan G. Carter were  
18 offered or sold in this state by means of written or oral communications which included an untrue  
19 statement of a material fact or omitted to state a material fact necessary in order to make the  
20 statements made, in the light of the circumstances under which they were made, not misleading, in  
21 violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the  
22 Corporate Securities Law of 1968, Brichthin Mountain Properties, LLC and Susan G. Carter are  
23 hereby ordered to desist and refrain from offering or selling any securities in the State of California,  
24 including but not limited to interests in a limited liability company, by means of any written or oral  
25 communication which includes an untrue statement of material fact or omits to state a material fact  
26 necessary in order to make the statements made, in the light of the circumstances under which they  
27 were made, not misleading.

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This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: April 23, 2008  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By: \_\_\_\_\_  
ALAN S. WEINGER  
Lead Corporations Counsel  
Enforcement Division