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SSB Docket No. 02-35

IN THE MATTER OF
SUNSHINE REAL ESTATE
DEVELOPMENT, INC.; AND
JULES B. FLEDER

§
§
§
§

Order No. CD0-1480

TO: Jules B. Fleder, President
Sunshine Real Estate Development, Inc.
1925 Century Park East, Suite 750
Century City, California 90067

Jules B. Fleder
1925 Century Park East, Suite 750
Century City, California 90067

CEASE AND DESIST ORDER

Be it remembered that Sunshine Real Estate Development Inc., ("Respondent Sunshine"), by and through its President, Jules B. Fleder, and Jules B. Fleder, individually ("Respondent Fleder"), (collectively "Respondents"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and Undertaking and, without admitting or denying them, the Findings of Fact and Conclusions of Law contained herein, except Findings of Fact Number One and Two which are admitted.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to notice and hearing in this matter; (b) Respondents' right to appear and present evidence in this matter; (c) Respondents' right to appeal this Order; and (d) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2002) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2002) ("Administrative Procedure Act").

2. Respondent Sunshine is a Nevada corporation with its principal office located at 1925 Century Park East, Suite 750, Century City, California 90067. Respondent Fleder is President of Sunshine with the same business address as Sunshine.
3. During 2001, and until January 22, 2002, Respondents sold a security to Texas investors through an unlicensed salesman and agent, James E. Graves. The security was entitled "Sunshine Highland Forrest Joint Venture Agreement" promising a secured annual return of 12% or more per year with little risk. Said Joint Venture Agreement involved the purchase and development of a real estate development project located in Greenwood, Greenwood County, South Carolina.
4. The securities offered by Respondents were not registered with the Securities Commissioner by qualification, notification or coordination, and no permit was granted for sale of the interests in the State of Texas as required by Section 7 of the Texas Securities Act.
5. Neither Respondents nor their agent, James E. Graves, were registered as dealers or agents with the Securities Commissioner to sell securities in Texas as required by Section 12 of the Texas Securities Act.

CONCLUSIONS OF LAW

1. The above-referenced Joint Venture Agreements constitute securities as defined in Section 4.A of the Texas Securities Act.
2. Respondents' conduct, described in the Findings of Fact, constitutes the offer for sale and sale of securities as defined by Section 4.E of the Texas Securities Act.
3. Respondents violated Section 7 of the Texas Securities Act by selling and offering for sale in Texas the above-described securities without registering the securities with the Securities Commissioner.
4. Respondents have acted as "dealers" or "agents" in securities as those terms are defined in Section 4.C and 4.D of the Texas Securities Act.
5. Respondents violated Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
6. Respondents have made sales and offers for sale of securities in Texas that are materially misleading or otherwise likely to deceive the public by their failing to disclose the financial condition of Respondent Sunshine and the cost of collateral used to secure the securities.
7. The foregoing violations constitute bases for the issuance of a Cease and Desist Order pursuant to Section 23.A of the Texas Securities Act.

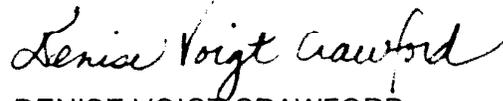
UNDERTAKING

1. Respondent Fleder agrees that, for a period of two years from the date of this Order, he will deliver written notification to the Director of Enforcement of the Texas State Securities Board of an intent to rely upon any exemption from the securities registration and dealer/agent registration provisions of the Texas Securities Act, in connection with the offer or sale of any security in the State of Texas, at least 30 days prior to the date of the first offer of any security. Such notice shall describe, in detail, the securities intended to be offered, specifying the specific securities registration and dealer/agent registration exemptions(s) that will be relied upon, all facts surrounding such assertion, the name(s) of all person(s) to be offering or selling the securities, and the dollar amount of securities to be offered in reliance upon the exemption.
2. Respondent Fleder undertakes and agrees to disclose the foregoing Order to potential investors in all future offerings.
3. Respondent Fleder undertakes and agrees to refund all money invested by Texas residents with Respondents, plus interest at 12% per annum, no later than 90 days after the date of this Order.

ORDER

1. It is therefore ORDERED that Respondents CEASE AND DESIST from the offer for sale and sale of securities until the securities are registered with the Securities Commissioner or exempt from the securities registration requirements of the Texas Securities Act.
2. It is further ORDERED that Respondents CEASE AND DESIST from acting as dealers and agents and/or using an unlicensed agent until they are registered to sell securities or an available exemption is utilized.
3. It is further ORDERED that Respondents CEASE AND DESIST from offering securities to Texas residents through the use of fraud or through an offering containing a statement that is materially misleading or otherwise likely to deceive the public.
4. It is further ORDERED that Respondents COMPLY with the terms of the Undertakings set forth therein.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 23rd day
of October, 2002.

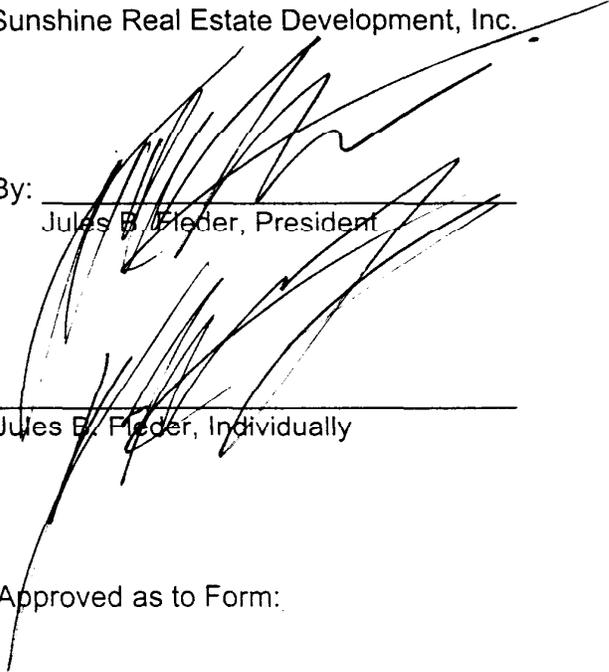


DENISE VOIGT CRAWFORD
Securities Commissioner

Respondents:

Sunshine Real Estate Development, Inc.

By:



Jules B. Fleder, President

Jules B. Fleder, Individually

Approved as to Form:



David Grauer
Director
Enforcement Division



Lee Polson
Attorney for Respondent
Sunshine Real Estate
Development, Inc.

ACKNOWLEDGMENT

On the 21 day of October, 2002, Jules B. Fleder ("Respondent Fleder") personally appeared before me, executed the foregoing Order, and acknowledged that:

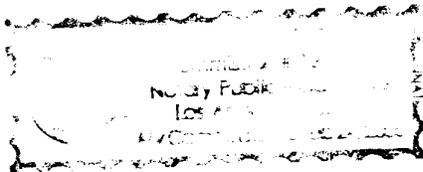
1. Respondent Fleder has read the foregoing Order;
2. Respondent Fleder has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Fleder knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking and the Findings of Fact and Conclusions of Law contained therein; and,
4. Respondent Fleder, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



Notary Public in and for
the State of Texas *California*

[affix notary seal here]

My commission expires on: 2/24/2005



ACKNOWLEDGMENT

On the 21 day of October, 2002, Jules B. Fleder ("Respondent Fleder") personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Fleder has read the foregoing Order;
2. Respondent Fleder has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Fleder knowingly and voluntarily consents to the entry of the foregoing Order and Undertaking and the Findings of Fact and Conclusions of Law contained therein; and,
4. Respondent Fleder, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



Notary Public in and for
the State of Texas *California*

My commission expires on: 2/24/2005

[affix notary seal here]

