

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
) ADMINISTRATIVE ORDER
NJ AFFORDABLE HOMES CORP.) NO. CD-2005-0044
WAYNE PUFF)
)
RESPONDENTS)

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act, upon due consideration of the subject matter hereof, has determined as follows.

RESPONDENTS

1. NJ AFFORDABLE HOMES CORP. ("NJ AFFORDABLE") is a New Jersey Corporation with a principal business address of 100 West Pond Road, Perth Amboy, New Jersey 07095.

2. WAYNE PUFF ("PUFF") is President of NJ AFFORDABLE. He has a residential address of 23 Willry Street, Woodbridge, New Jersey 07095.

STATEMENT OF FACTS

3. The Commission received information that in January 2002, NJ AFFORDABLE and PUFF offered and sold to an Alabama resident an "Asset Protection Guarantee" in the amount of \$10,000.00 with an interest rate of 17%, to be paid quarterly for a term of 36 months. According to the "Asset Protection Guarantee", the funds can be used at any time during the term of the loan provided certain conditions are met. These conditions include utilizing the funds "towards the cost of purchase, closing costs, repair and marketing of residential homes for resale", and that the

"Borrower (NJ AFFORDABLE) will either own the property or have a long-term lease in the business that dollars from the Lender (Alabama resident) are utilized."

4. The Commission received information that in March 2002, NJ AFFORDABLE and PUFF offered and sold to an Alabama resident a "Joint Venture Agreement" in the amount of \$13,302.92 for a maximum term of 36 months with an interest rate of 15.87000000000001% per annum, compounded quarterly. The "Joint Venture Agreement" states that the investor funds "are to be used for the purchase, closing costs, repair and marketing of any real property which is the subject of this agreement."

5. A review of the files of the Registration Division of the Alabama Securities Commission disclosed no record of registration for the securities, to wit: the "Joint Venture Agreement" and "Asset Protection Guarantee" of NJ AFFORDABLE, in the state of Alabama

6. A review of the files of the Registration Division of the Alabama Securities Commission disclosed no record of registration for PUFF as a broker dealer or agent, investment advisor, or investment advisor representative in the state of Alabama.

7. A review of the files of the Registration Division of the Alabama Securities Commission disclosed no record of registration for NJ AFFORDABLE as a broker dealer in the state of Alabama.

CONCLUSIONS OF LAW

8. PUFF was not registered as a broker dealer or agent, investment advisor, or investment advisor representative in the state of Alabama. The offer and/or sale of securities within or into the state of Alabama without the benefit of registration is a violation of § 8-6-3(b), Code of Alabama, 1975.

9. NJ AFFORDABLE was not registered as a broker dealer in the state of Alabama. The offer and/or sale of securities within or into the state of Alabama without the benefit of registration is a violation of § 8-6-3(b), Code of Alabama, 1975.

10. The securities solicited and sold by NJ AFFORDABLE and PUFF, to wit: the "Joint Venture Agreement" and "Asset Protection Guarantee" were not registered in the state of Alabama. The sale of unregistered securities, into, within, or from the state of Alabama is a violation of section 8-6-4, Code of Alabama 1975.

This Order is appropriate in the public interest for the protection of investors and consistent with the purposes of the Alabama Securities Act.

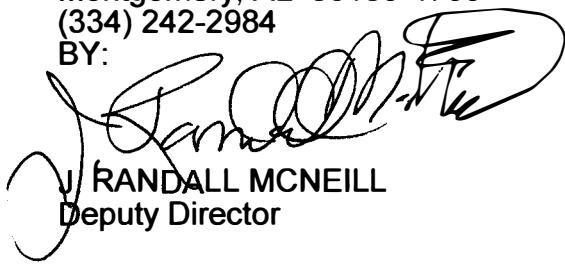
This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

ACCORDINGLY, IT IS HEREBY ORDERED that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama

Entered at Montgomery, AL, this 12th day of October, 2005.

ALABAMA SECURITIES COMMISSION
770 Washington Avenue, Suite 570
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(334) 242-2984

BY:



J. RANDALL MCNEILL
Deputy Director

