

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF: *

WILLIE JOHN HANNA, JR. d/b/a * Securities Docket No. 2018-0617
THE BALTIMORE LAND TRUST *
DEVELOPMENT GROUP, LP *

Respondent *

* * * * *

FINAL ORDER

WHEREAS, the Securities Division of the Office of the Maryland Attorney General (the “Division”), pursuant to the authority granted in section 11-701 of the Maryland Securities Act, Corporations and Associations Article, Title 11, Annotated Code of Maryland (2014 Repl. Vol. and 2018 Supp.) (the “Act” or “Securities Act”), undertook an investigation into the activities of Willie J. Hanna, Jr. (“Hanna”), d/b/a The Baltimore Land Trust Development Group, LP (the “Trust”) (collectively “Respondent”); and

WHEREAS, on the basis of that investigation on April 10, 2019 the Maryland Securities Commissioner (the “Commissioner”) issued an Order to Show Cause (“Order”) requiring Respondent to show cause why he should not be barred permanently from engaging in the securities and investment advisory business in Maryland and why a statutory penalty of up to \$5,000 per violation should not be entered against him; and

WHEREAS, on April 11, 2019, the Order was served on the Commissioner pursuant to section 11-802(b) of the Act and sent by certified mail to Respondent; and

WHEREAS, on April 18, 2019, the U.S. Postal Service left a notice of the certified mailing at Respondent’s address requiring him to arrange for delivery or to pick up the Order at the post office; and

WHEREAS, to date, Respondent has not arranged for delivery or picked up the Order at the post office; and

WHEREAS, Respondent failed to timely file an Answer to the Order or to make a written request for a hearing, as required by COMAR .02.02.06.06A; and

WHEREAS, the Commissioner has determined that it is in the public interest to issue this Final Order against Respondent;

NOW, THEREFORE, pursuant to sections 11-301 and 11-701.1(a) of the Act, THE COMMISSIONER FINDS AND ORDERS:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to section 11-701.1 of the Act.

II. RESPONDENT

2. Hanna resides in Baltimore City, Maryland. He has never been registered as a broker-dealer, broker-dealer agent, investment adviser or investment adviser representative in the State of Maryland. Hanna is the general partner and chief executive officer of the Trust. The Trust is a d/b/a for Hanna. The Trust has never been registered as a broker-dealer or investment adviser in the State of Maryland.

III. STATEMENT OF FACTS

3. On May 23, 2018, Respondent entered into a limited partnership agreement with an investor in Maryland. The limited partnership was called HMG Hospitality Group.

4. The purpose of the limited partnership was to buy two hotels in Florida.

5. The Maryland investor gave Hanna \$15,000 in return for his partnership interest.

6. As the general partner, Hanna had “full, exclusive and complete discretion in the

management and control of the Partnership.”

7. Hanna wired \$9,000 of the \$15,000 investment to Black Onyx Lending Firm, LLC. The funds were supposed to be used to secure a loan from Black Onyx. Black Onyx appears to be a fraudulent lending company with numerous internet complaints.

8. On information and belief, Hanna used the balance of the funds for personal expenses and other business ventures, including HME Sports Marketing Co. Baltimore Lightning Football.

9. No risk disclosure was given to the Maryland investor for his investment in the limited partnership, including disclosing the risk that Hanna would use the funds for purposes other than investment in the hotels or give the funds to a fraudulent lending company.

10. Hanna did not disclose that there was a lawsuit pending against him or that he has at least one criminal conviction.

IV. CONCLUSIONS OF LAW

The Commissioner concludes that:

WHEREAS, Respondent violated section 11-301(1) of the Act by employing a device, scheme or artifice to defraud in the offer and sale of securities by failing to disclose the risks of the partnership interest; and

WHEREAS, Respondent violated section 11-301(2) of the Act by failing to state material facts, including but not limited to the fact that the limited partnership investment was risky; and

WHEREAS, Respondent violated section 11-301(3) of the Act by engaging in the offer and sale of a partnership interest without disclosing the risks involved Respondent engaged in activities that operated as a fraud or deceit on an investor; and

V. SANCTIONS

NOW, THEREFORE, IT IS HEREBY ORDERED that:

- a. Respondent shall cease and desist from violating section 11-301 of the Act.
- b. Respondent is permanently barred from engaging in the securities or investment advisory business in Maryland for or on behalf of any others, or from acting as a principal or consultant in any entity so engaged.
- c. Respondent is assessed a civil monetary penalty pursuant to section 11-702 of the Act in the amount of \$15,000 for the violations set forth in this Order. Payment shall be by certified check payable to the Office of the Attorney General. Said penalty shall be paid within ninety (90) days of the date of this Order. However, this penalty shall be reduced dollar for dollar by the amount of restitution made, within forty-five (45) days of the date of this Order, by Respondent to the investor. Payment of restitution shall be by certified check payable to the Office of the Attorney General and then distributed by the Office of the Attorney General in a manner within its discretion.

VI. JURISDICTION RETAINED

11. Jurisdiction shall be retained by the Commissioner for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Order.

VII. APPEAL RIGHTS

12. Respondent may appeal this Final Order to the Baltimore City Circuit Court

within 30 days from the date this Order is mailed by the Securities Division.

SO ORDERED:

**Commissioner's Signature on File
w/Original Documents**

May 1, 2019

Melanie Senter Lubin
Maryland Securities Commissioner

