

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2749 / June 30, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13085

<p>In the Matter of</p> <p style="text-align:center">Stephen L. Hochberg, CPA,</p> <p>Respondent.</p>
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**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
203(f) OF THE INVESTMENT ADVISERS
ACT OF 1940, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Stephen L. Hochberg (“Respondent” or “Hochberg”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section

203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Hochberg, 60 years old, is a resident of Sudbury, Massachusetts. During the relevant period, Hochberg was acting as an investment adviser not registered with the Commission.

2. The Commission filed a complaint in the United States District Court for the District of Massachusetts entitled *SEC v. Stephen L. Hochberg*, Civil Action No. 08-10848-DPW. The Commission’s complaint alleges that, from as early as September 2002 to August 2007, Hochberg obtained at least \$1.6 million from seven investors for a purported real estate investment fund, Realty Funding LLC, that did not exist. The complaint also alleges that, in June 2003 and April 2004, Hochberg obtained \$150,000 from an elderly widow on fixed income for a purported investment in Massachusetts municipal bonds. According to the Commission’s complaint, in both schemes, Hochberg never invested any of the funds as promised; instead, he used most of the funds for his own personal benefit.

3. On June 13, 2008, Hochberg pled guilty to eight counts of wire fraud in violation of Title 18 United States Code, Section 1343 and nine counts of fraud in connection with the purchase or sale of a security in violation of Title 15 United States Code, Sections 178j(b) and 78ff before the United States District Court for the District of Massachusetts, in United States v. Stephen L. Hochberg, 08-cr-10126-NMG.

4. The counts of the criminal information to which Hochberg pled guilty alleged, *inter alia*, that between in or about no later than September, 2002 and continuing until in or about August, 2007, Hochberg defrauded various individuals, and obtained money and property by means of materially false and fraudulent pretenses. The counts of the criminal information to which Hochberg pled guilty also alleged that Hochberg engaged in acts, practices, and a course of business which operated as a fraud and deceit upon persons in connection with the purchase and sale of securities. The criminal information also alleged that Hochberg obtained not less than \$1,691,500 from individual investors based upon representations that such funds would be used for legitimate investment purposes for the benefit of investors.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Hochberg’s Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Hochberg be, and hereby is barred from association with any investment adviser.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Florence E. Harmon
Acting Secretary