

STATE OF COLORADO



Division of Securities

Department of Regulatory Agencies

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PRESS RELEASE

For Immediate Release

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COLORADO COMPANY SANCTIONED BY SECURITIES COMMISSIONER

Denver, Colorado --- Colorado Securities Commissioner Fred J. Joseph announced today that he has entered a final cease and desist order against a Monument, Colorado real estate construction company for allegedly violating the securities registration provisions of the Colorado Securities Act ("Act") in connection with the offer of securities in and from Colorado.

Named in the Order are **Trail Creek Apartments, LLC**, and one of its managers, **Paul J. Stewart**, of Monument, Colorado.

The Staff of the Division of Securities (the "Staff"), which is a division of the Colorado Department of Regulatory Agencies ("DORA"), has alleged that from May to July of 2008, the Respondents attempted to sell investments in Trail Creek Apartments by placing an advertisement on "Craig's List," an internet network featuring free online advertisements. Trail Creek Apartments intended to privately raise investment funds for the purpose of constructing a 160 unit apartment complex in Woodland Park, Colorado. By advertising the offering on the internet, the Respondents conducted a general solicitation of investors, which requires the registration of the securities with the

Colorado Securities Commissioner. Trail Creek failed to register its securities, in violation of the registration provisions of the Act.

The cease and desist order, which Trail Creek and Stewart agreed to, orders them to immediately and permanently cease and desist offering or selling any “security” in or from the State of Colorado in violation of the registration provisions of the Act or otherwise engaging in conduct in violation of any provision of the Act. The order was made final on September 24, 2008.

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

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