## STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: Advantage Property Ventures, L.P. Shawn Wikoff
Paul J. Petonak
14320 Ventura Blvd., Ste. 215

Sherman Oaks, CA 91423

## **DESIST AND REFRAIN ORDER**

(For violations of sections 25110 and 25401 of the California Corporations Code)

The California Corporations Commissioner finds that:

- 1. At all relevant times herein, Advantage Property Ventures, L.P. ("APV"), was an active Delaware limited partnership, which was formed in June 2009 and is located at 14320 Ventura Blvd., Ste. 215, Sherman Oaks, California 91423.
- 2. At all relevant times herein, Shawn Wikoff ("Wikoff") was a manager, control person and a General Partner of APV.
- 3. At all relevant times herein, Paul J. Petonak ("Petonak") was a manager, control person and a General Partner of APV.
- 4. At all relevant times herein, APV, Wikoff and Petonak have purportedly been in the business of acquiring real property from the Federal Deposit Insurance Coporation ("FDIC") at a discount and then reselling the real property for a profit.
- 5. Beginning in at least October 2010, APV, Wikoff and Petonak have offered securities from California in the form of limited partnership interests in APV.
- 6. Beginning in at least October 2010, APV, Wikoff, Petonak either directly or through their agents/employees, have offered securities from California by telephonically cold-calling residents in at least the states of Colorado and Pennsylvania. The Colorado and Pennsylvania residents who were solicited where also directed to the website: www.apvlp.com and provided with a user-name and password to access additional materials about the investment opportunity.

- 7. The Colorado and Pennsylvania residents that were solicited by APV, Wikoff and Petonak either directly or through their agents/employees were neither "sophisticated", "accredited" or had a pre-existing personal or business relationship with APV, Wikoff or Petonak.
- 8. The State of Pennsylvania, Securities Commission issued a "Cease and Desist Order" against APV, Wikoff and Petonak on November 23, 2010. This order found that because the investor solicited was not "accredited", sophisticated nor had any pre-existing personal relationship with the issuer, it must be registered under Pennsylvania state law before it could be offered or sold in that state. U.S. Postal records indicate that this order was delivered to APV, Wikoff and Petonak at APV office's on November 26, 2010.
- 9. At least one Colorado resident was solicted by APV, Wikoff, Petonak either directly or through their agents/employees after they were served with the State of Pennsylvania's "Cease and Desist Order", without disclosing the existence of that order to the potential investor.
- 10. The State of Colorado, Division of Securities issued a "Verified Petition for Order to Show Cause" on February 1, 2011. This petition alleged that the securities offered to Colorado residents were unregistered securities, in violation of Colorado state law. The petition also alleged that APV, Wikoff and Petonak engaged in securities fraud by failing to disclose the previously served Pennsylvania Cease and Desist Order to Colorado residents at the time of solicitation.
- 11. On February 14, 2011 APV, Wikoff and Petonak entered into a stipulation with the State of Colorado, Division of Securities. Although APV, Wikoff and Petonak did not admit or deny the Colorado "Verified Petition", they agreed not to contest the entry of a "Consent Cease and Desist Order Concerning Advantage Property Ventures, L.P., Shawn Wikoff and Paul J. Petonak". This final order was entered on February 16, 2011.

Based on the foregoing findings, the California Corporations Commissioner is of the opinion that the limited partnership interests which have been offered or sold by APV, Wikoff and Petonak are subject to qualification under the California Corporate Securities Law of 1968 and are or have been offered or sold without being qualified or exempt, in violation of section 25110 of Corporate Securities Law of 1968.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: April 15, 2011 Los Angeles, California

> PRESTON DuFAUCHARD California Corporations Commissioner

ALAN S. WEINGER **Deputy Commissioner Enforcement Division** 

28