

STATEMENT OF FACTS

4. On or about January, 2011, a female who identified herself as **CARON** placed a cold call to a resident of the State of Alabama. The Alabama resident had no prior business relationship with **CARON** or **AGP**. During the telephone conversation **CARON** solicited an investment from the Alabama resident. Said solicitation was for an investment in **AGP**, in the form of shares of stock, with a minimum subscription of \$30,000.00 for 15,000 shares.

5. The Alabama resident directed **CARON** to mail to him any printed material that **CARON** would like for him to consider. Subsequently, the Alabama resident received a package from **APG** that included a Confidential Private Placement Memorandum, an Accredited Investor Requirements & Questionnaire, Complete Company Overview, and a Subscription Agreement. In addition, the package included a FedEx envelope, pre-addressed to **AGP**, for the attention of **WAGNER**.

6. In the "Complete Company Overview", investment highlights include the following statements:

- As a shareholder, you receive all the benefits of owning a number of multi-million dollar properties without the need of huge liquidity
- Annual cash dividends projected to range between 15 – 25%
- Appreciation payout of the liquidated properties projected to exceed 2 – 3 times initial investment

7. The Complete Company Overview also includes the following statements relative to pooled funds: "By setting up a real estate fund, the Company will pool shareholder funds together to purchase, own, and manage up to 15 million dollars of real estate. The fund will focus on acquiring small to medium sized apartment buildings in Los Angeles, CA."

8. Prior and subsequent to the receipt of printed material sent to him by **APG**, the Alabama resident received additional telephone calls from **CARON** relative to an investment in **AGP**. Rather than investing in **AGP**, the Alabama resident forwarded the information he had received from **AGP** to the Commission.

9. On January 31, 2011, a search of the EDGAR database maintained by the U.S. Securities and Exchange Commission did disclose that a Notice of Exempt Offering of Securities, Form D, was filed with and accepted by the U.S. Securities and Exchange Commission on July 2, 2010. As of that same date, **AGP** had not filed a notice copy of Form D with the Commission.

10. On January 31, 2011, a review of the registration files maintained by the Commission revealed that **AGP** is not registered with the Commission as a Dealer or Investment Adviser.

11. On January 31, 2011, a review of the registration files maintained by the Commission revealed that neither **WAGNER** nor **CARON** is registered as an Agent or Investment Advisor Representative for securities in the State of Alabama.

CONCLUSIONS OF LAW

12. Section 8-6-2 (10), Code of Alabama, 1975, includes, in pertinent part, the definition of a security as any stock or treasury stock. The interest in **APG** offered by the **RESPONDENTS** constitutes a security, to wit: shares of stock.

13. Section 8-6-3(a), Code of Alabama, 1975, states that it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. As President of **AGP**, **WAGNER** employed **CARON** to offer shares of stock in **AGP**. While employed by **AGP**, **CARON**, who is not registered as an agent with the State of Alabama, placed a cold call to an Alabama resident, in violation of the Act.

14. Section 8-6-4, Code of Alabama, 1975, of the Alabama Securities Act states that it is unlawful for any person to offer or sell any security in this state unless said security: (1) is registered under the Act; (2) the security is exempt from registration under section 8-6-10; or (3) the transaction is exempt under section 8-6-11. The solicitation of the Alabama resident by **CARON** and **AGP** by means of a cold call violated the offering exemption associated with the 506 Form D filing. Therefore, the security offered by **AGP**; to wit: shares of stock in **AGP**, was neither registered nor subject to a perfected exemption from registration in Alabama in violation of the Act.

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

Additionally, if the allegations set forth herein are found to be true, though administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the respondent, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, inter alia, an administrative assessment imposed on **RESPONDENTS**, and additional administrative assessment for investigative cost arising from the investigation of the violations described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **ASCENDING GROWTH PROPERTIES, LLC, RICHARD AUSTIN WAGNER, and CHARLOTTE CARON** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama, this 1st day of April, 2011.



ALABAMA SECURITIES COMMISSION
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BY:


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