

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

TO: Pacific Property Assets, LLC
2600 Michelson Drive, Suite 920
Irvine, CA 92612
www.pparealestate.com

and

PPA Holdings, LLC
2600 Michelson Drive, Suite 920
Irvine, CA 92612

and

Michael J. Stewart
73 Marbella
San Clemente, CA 92673

and

John J. Packard
3 Illuminata Ln
Ladera Ranch, CA 92694

and

Chandra J. Gibson
938 Palermo Ln
Corona, CA 92879

and

Natasha Ginnaty
635 Baker St. Apartment C203
Costa Mesa, CA 92612

DESIST AND REFRAIN ORDER

(For violations of section 25110 of the Corporations Code)

1 The California Corporations Commissioner finds that:
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3 1. At all relevant times, Michael J. Stewart (hereinafter referred to as "Stewart") was a founding
4 member and principal of Pacific Property Assets (hereinafter referred to as "PPA"), a California
5 limited liability company, and PPA Holdings, L.L.C. (hereinafter referred to as "PPA Holdings"), a
6 California limited liability company.
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8 2. At all relevant times, John J. Packard (hereinafter referred to as "Packard") was a founding
9 member and principal of PPA.
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11 3. At all relevant times, Chandra J. Gibson (hereinafter referred to as "Gibson") was the Director
12 of Investor Relations at PPA. In that capacity, Gibson sent offering and informational materials to
13 prospective investors.
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15 4. At all relevant times, Natasha Ginnaty (hereinafter referred to as "Ginnaty") was responsible
16 for investor relations at PPA. In that capacity, Ginnaty sent offering and informational materials to
17 prospective investors.
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19 5. Beginning in or about February 07, 2006 Stewart, Packard, Gibson, Ginnaty, PPA Holdings,
20 and PPA offered or sold securities in the State of California, in the form of promissory notes
21 representing interests in PPA Holdings, to California residents.
22

23 6. The purported purpose of the offerings is to provide general capitalization of PPA Holdings.
24 The promissory notes are advertised as providing a 12.68% annual rate of return and as being secured
25 by real property owned by PPA and/or PPA Holdings.
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27
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1 7. These securities were offered or sold in this state in issuer transactions. The Department of
2 Corporations has not issued a permit or other form of qualification authorizing any person to offer or
3 sell these securities in this state.

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5 Based upon the foregoing findings, the California Corporations Commissioner is of the
6 opinion that the promissory notes representing interests in PPA Holdings, L.L.C. offered by PPA are
7 securities subject to qualification under the California Corporate Securities Law of 1968 and are
8 being or have been offered or sold without being qualified in violation of Corporations Code section
9 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, Michael J. Stewart, John
10 J. Packard, Chandra J. Gibson, Natasha Ginnaty, PPA Holdings, L.L.C., and Pacific Property Assets,
11 L.L.C. are hereby ordered to desist and refrain from the further offer or sale of securities in the State
12 of California, unless and until qualification has been made under the law or unless exempt.

13
14 This Order is necessary, in the public interest, for the protection of investors and consistent
15 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This order shall
16 remain in full force and effect until further order of the California Corporations Commissioner.

17 Dated: October 31, 2006
18 Sacramento, California

19
20 PRESTON DuFAUCHARD
California Corporations Commissioner



21
22 By: _____
23 SHARON LUERAS
24 Lead Corporations Counsel
25 Enforcement Division