

United States of America
Before The
Securities and Exchange Commission

Securities Exchange Act of 1934
Release No. 54377 / August 28, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12401

ADMINISTRATIVE PROCEEDING INSTITUTED AGAINST CONNIE S. FARRIS

The United States Securities and Exchange Commission (“Commission”) announced that on August 28, 2006, it issued an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Notice of Hearing (OIP) against Connie S. Farris. The Division of Enforcement alleges in the OIP that Farris was enjoined by a United States District Court from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rules 10b-5 and 15d-14 thereunder, and from aiding and abetting violations of Section 15(d) of the Exchange Act and Rules 12b-20 and 15d-13 thereunder. The OIP further alleges that the District Court’s Final Judgment ordered Farris to disgorge ill-gotten gains in the amount of \$23,232,441 plus prejudgment interest of \$746,253.13, and imposed a civil penalty in the amount of \$120,000.

The complaint in the District Court action alleged that from late 2001 through December of 2003, Farris offered and sold interests in Global Express Real Estate Investment Fund I, LLC (the “Fund”) through fraudulent misrepresentations and omissions of material fact. Contrary to Farris’s representations to investors, the Fund did not generate sufficient interest income to pay monthly distributions and, instead, operated as a Ponzi-like investment scheme. From March 1, 2003, through September 30, 2003, alone, the Fund paid returns to investors totaling approximately \$2.3 million, even though the Fund had only received approximately \$154,000 in interest income from its investments and other assets. The Fund financed investors’ monthly returns with cash from new investors as well as with capital contributions from the Fund’s manager and proceeds from the sale of non-cash assets held by the Fund. None of this was disclosed to investors. Farris signed the Fund’s public filings during the relevant period.

A hearing will be scheduled before an Administrative Law Judge to determine whether the allegations contained in the OIP are true, to afford Farris an opportunity to respond, and to determine what, if any, remedial actions are appropriate and in the public interest.

The OIP requires the Administrative Law Judge to issue an initial decision no later than 210 days from the date of service of the order, pursuant to Rule 360(a)(2) of the Commission’s Rules of Practice.