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NEWS RELEASE

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STATE ACCUSES FORMER EASTERN IDAHO CARE PROVIDER OF FRAUD
Penalties & Restitution Sought From Keith F. Rasmussen

Boise, Idaho . . . The Idaho Department of Finance has filed a securities civil lawsuit in Bonneville County against Keith F. Rasmussen of Idaho Falls. The complaint cites violations of the registration and anti-fraud provisions of the Idaho Uniform Securities Act.

The department alleges that Mr. Rasmussen obtained more than \$500,000 from at least five Idahoans amid promises that their investment was safe and would be secured by a deed of trust on elder care facilities owned and operated by Mr. Rasmussen. More specifically, the suit alleges that he:

1. Misrepresented that the investment was risk free or virtually risk free,
2. Misrepresented to some investors that their funds would be well secured by a real property deed of trust,
3. Failed to inform investors that some of the funds raised would be used to repay prior investors or lenders, and in some cases Mr. Rasmussen's personal expenses,
4. Failed to advise investors that he was the subject of prior court actions by other lenders/investors who sought a return of their funds, and
5. Failed to provide complete financial disclosures about his business operations and the actual risks of the investment.

The complaint further states that Mr. Rasmussen formed eight companies that were engaged in the assisted living business and that "frequently he used the money for some purpose other than what he told the lender." The lawsuit seeks restitution for investors, penalties and fees and a permanent injunction prohibiting Mr. Rasmussen from offering securities in Idaho in the future.

Companies associated with Mr. Rasmussen included Gables Management, LLC, Gables of Pocatello, LLC, Gables of Shelly, LLC, and Gables of Blackfoot, LLC. Mr. Rasmussen previously operated Rasmussen Enterprises (dba Gables Senior Living or Gables of Idaho Falls), but that company was passed to other individuals not associated with this lawsuit.

Department of Finance press releases, a copy of the complaint and other information are available on the Internet at <http://finance.idaho.gov> and may be obtained by contacting the Department at (208) 332-8000, or toll-free in Idaho at 1-888-346-3378.