

IN THE MATTER OF THE REAL ESTATE DEVELOPMENT MARKETING ACT

CRAIG WILLIAM LOCHHEAD
-And-
GRAYDEN ROLAND HAYWARD
-And-
MAURICE R. HOGUE
-And-
CARRERA VENTURES LTD.
-And-
MARDON DEVELOPMENTS LTD.

CONSENT ORDER

The following agreement has been reached between Maurice R. Hogue ("Hogue") and Mardon Developments Ltd. ("Mardon") and the Superintendent of Real Estate (the "Superintendent"):

A. ORDERS

Hogue and Mardon consent to and the Superintendent makes the following orders pursuant to sections 28, 30 and 32 of the *Real Estate Development Marketing Act* ("REDMA"):

1. Hogue and Mardon will not market any development units in the development known as Centre Gate located at 1145 Heffley Crescent, Coquitlam, British Columbia (the "Development") until a new disclosure statement, satisfactory to the Superintendent, is filed with the Superintendent.
2. That Hogue and Mardon, jointly and severally, pay an administrative penalty in the amount of \$5,000 immediately upon execution of this Order, pursuant to section 30(1)(d) of the REDMA.
3. That Hogue and Mardon, jointly and severally, pay partial costs of the investigation in the amount of \$2706 immediately upon execution of this Order, pursuant to sections 30(1)(c) and 31(1)(a) of the REDMA.
4. That the order of the Superintendent made pursuant to sections 30(1)(a) and 32(1) of the REDMA, dated June 7, 2007 (the "Cease Marketing Order") is hereby rescinded.

B. FACTS AND ADMISSIONS

As a basis for these Orders, Hogue and Mardon acknowledge the following facts as correct and make the following admissions:

1. Carrera Ventures Ltd. ("Carrera") was registered as a company in the Province of British Columbia on October 12, 1988. The registered and records office is 410 – 1333 West Broadway, Vancouver British Columbia. The sole director is Grayden Roland Hayward ("Hayward"). The president of Carrera is Hayward and the secretary is Craig William Lochhead ("Lochhead").
2. Mardon was registered as a company in the Province of British Columbia on September 21, 1972. The registered and records office is 2262 Sorrento Drive, Coquitlam, British Columbia. The sole director and officer of Mardon is Hogue.
3. Carrera and Mardon are the named developers (the "Developers") of a development property marketed under the name Centre Gate, located at 1145 Heffley Crescent, Coquitlam, British Columbia (the "Development"). A disclosure statement was filed with the Superintendent by Carrera and Mardon on November 25, 1996 (the "Disclosure Statement"). No new disclosure statements or amendments to the Disclosure Statement have been filed with the Superintendent subsequent to that date.
4. Carrera and Mardon purchased the Development in a Supreme Court foreclosure in 1996. At that time, it was only partially constructed.
5. Once construction of the Development was completed in June, 1997, it was decided that the 13 (of 38) units which remained unsold would be retained by the Developers as rental suites.
6. In January 2007, the Developers finalized a plan to sell four or five units, one at a time.
7. The Developers marketed first one (1) unit, and then one other unit, between January 2007 and June 7, 2007 (when the Cease Marketing Order was issued) without first updating the Disclosure Statement. Only the first unit was sold.

8. Given that the Disclosure Statement had been prepared in 1996, some of the information contained therein was out of date and/or inaccurate.
9. The Disclosure Statement states that the registered owners of the Development are Carrera and Mardon. The legal description of the Development as disclosed in the Disclosure Statement is as follows:

PID: 018-033-636 Lot 5 District Lot 384A Group 1
New Westminster District Plan LMP7709

10. The legal descriptions of the unsold units in the Development at the time of the Cease Marketing Order were:

PID	Legal Description
023-776-021	Strata Lot 7 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817 (transfer was then pending)
023-776-048	Strata Lot 9 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-056	Strata Lot 10 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-072	Strata Lot 12 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-129	Strata Lot 17 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-145	Strata Lot 19 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-170	Strata Lot 22 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-196	Strata Lot 24 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-226	Strata Lot 27 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-242	Strata Lot 29 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-251	Strata Lot 30 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-277	Strata Lot 32 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817
023-776-285	Strata Lot 33 District Lot 384A Group 1 New Westminster District Strata Plan LMS 2817

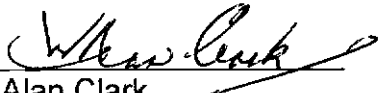
11. The Disclosure Statement was not amended to reflect the change in the legal description of the Development, thereby contravening section 16 of *REDMA*.
12. The Disclosure Statement states that the directors of Carrera are Lochhead and Hayward, when in fact the sole director of Carrera is Hayward.
13. The Disclosure Statement was not amended to reflect the change of Carrera's directorship, thereby contravening section 16 of the *REDMA*.
14. The Disclosure Statement indicates that the Development is being marketed under the name "Centre Gate." The Disclosure Statement includes a proposed budget for the Centre Gate Strata Corporation (LMS 2817). The Strata Plan for Strata Corporation LMS 2817 was registered in 1997, and annual budgets for the Strata Corporation have been approved by the Strata Corporation since that time.
15. The Disclosure Statement was not amended to disclose the most recent budget approved by Strata Corporation LMS 2817, thereby contravening section 16 of the *REDMA*.
16. Hayward and Lochhead were directors of another company, CB Development 2000 Ltd. ("CB") which was the developer of another property marketed under the name Riverbend ("Riverbend").
17. CB borrowed money from Carevest Capital Inc. ("Carevest") to finance Riverbend. Carevest's loans to CB were partially secured by a mortgage on Carrera's ½ interest in the Development.
18. On May 28, 2007, a Petition was filed in the Supreme Court of British Columbia by Carevest, bearing Vancouver Registry No. H070290, seeking an Order Nisi of Foreclosure and an Order for a Certificate of Pending Litigation on various properties, including Carrera's ½ interest in the Development (the "Petition"). CB, Hayward, Lochhead and Carrera are named respondents in the Petition.
19. On May 29, 2007, Certificates of Pending Litigation were registered against the Development by Carevest. Certificates of Pending Litigation were also registered by Carevest against Carrera's ½ interest in the individual development units in the Development still owned by the Developer.
20. The Disclosure Statement states that "there is no outstanding or anticipated litigation or contingent liability in respect of the Development or against the Developer which may affect the Development."

21. The Disclosure Statement was not amended to disclose the outstanding or contingent litigation or liabilities affecting Carrera's ½ interest in the Development, thereby contravening section 16 of the *REDMA*.
22. Marion Lochhead ("Marion") is a licensed real estate agent with Sutton Group 1st West Realty. Marion is the wife of Lochhead. Marion continued to market units in the Development, with the knowledge of the Developer, through early June 2007.
23. On or about June 4, 2007, Marion advertised the property located at #209 – 1145 Heffley Crescent, a development unit which forms part of the Development, for sale on her website. A search of the Multiple Listing Services website on the same date confirmed that Marion was offering that particular property for sale. Carrera's ½ interest in this development unit was subject to a Certificate of Pending Litigation filed by Carevest in the Petition.
24. The property located at #107 – 1145 Heffley Crescent, another development unit which forms part of the Development, was sold in 2007, with the transfer pending as of June 4, 2007. Carrera's ½ interest in this property was also subject to a Certificate of Pending Litigation filed by Carevest in the Petition.
25. Hogue and Mardon were unaware of the need to prepare a new or amended disclosure statement before marketing the remaining units in 2007.
26. Lochhead is insolvent, and is not in a position to pay any order for administrative penalty or costs.
27. Hayward is insolvent. A trustee in bankruptcy has been appointed for him, and he has now filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*.
28. Carrera has no remaining equity in the Development.

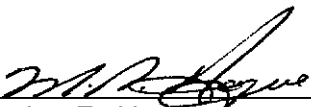
C. WAIVER

Hogue and Mardon waive their right to appeal under section 37 of the *REDMA*.

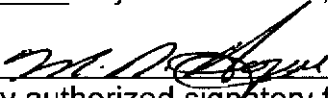
Dated at Surrey, British Columbia, this 18th day of November, 2008.


W. Alan Clark
Superintendent of Real Estate
Province of British Columbia

Dated at New Westminster, British Columbia, this 17 day of November, 2008.


Maurice R. Hogue

Dated at New Westminster, British Columbia, this 17 day of November, 2008.


Duly authorized signatory for
Mardon Developments Ltd.