

IN THE MATTER OF THE REAL ESTATE DEVELOPMENT MARKETING ACT

-AND-

BALCOM FINANCIAL CORPORATION

-AND-

MADDEN HOLDINGS LTD.

-AND-

BFC DEVELOPMENT CORPORATION

-AND-

ASHER STRATA HOMES

-AND-

EAST VIEW RIDGE DEVELOPMENTS

-AND-

RALPH BALCOM

-AND-

KATHY BALCOM

CONSENT ORDER

The following agreement has been reached between Balcom Financial Corporation ("Balcom"), Madden Holdings Ltd. ("Madden"), BFC Development Corporation ("BFC"), Asher Strata Homes ("Asher"), East View Ridge Developments ("East View"), Ralph Balcom ("R. Balcom") and Kathy Balcom ("K. Balcom") and the Superintendent of Real Estate (the "Superintendent"):

A. ORDERS

Balcom, Madden, BFC, Asher, East View, R. Balcom and K. Balcom 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. That Madden pay an administrative penalty in the amount of \$25,000 immediately upon execution of this Order, pursuant to section 30(1)(d)(i) of REDMA.
2. That R. Balcom and K. Balcom pay, jointly and severally, an administrative penalty in the amount of \$12,500 immediately upon execution of this Order, pursuant to section 30(1)(d)(ii) of REDMA.
3. That Madden, R. Balcom and K. Balcom pay, jointly and severally, costs of the investigation in the amount of \$8,500 immediately upon execution of this Order, pursuant to sections 30(1)(c) and 31(1)(a) of REDMA.

B. FACTS AND ADMISSIONS

As the basis for these Orders, Balcom, Madden, BFC, Asher, East View, R. Balcom and K. Balcom acknowledge the following facts as correct and make the following admissions:

1. Balcom is a registered company, incorporated in British Columbia on January 11, 1995. R. Balcom is the sole director of Balcom, and is also its President. K. Balcom is Balcom's secretary.
2. Madden is a registered company, incorporated in British Columbia on March 20, 2003. Both R. Balcom and K. Balcom are directors and officers of Madden.
3. The development which is the subject of this Order is known as Asher Strata Homes, which is located at or near 2911, 2889 and 2877 Ferry Road, Prince George British Columbia, bearing legal description PID 025-913-921, Parcel 1, DL 1433, Cariboo District, Plan BCP10250 (the "Development").
4. Madden was the initial developer of the Development.

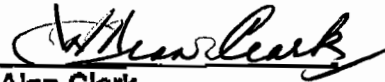
5. The current developer of the Development is Asher Place Senior Residency Limited Partnership, with Madden as general partner.
6. On the www.balcom.ca website, R. Balcom is described as an "EPC Registered Elder Planning Counselor."
7. Madden is the registered owner of the Development, which is marketed under the name "Asher Strata Homes".
8. The Superintendent of Real Estate issued a cease marketing order in respect of the Development on February 8, 2008 (the "Cease Marketing Order").
9. As of the date of the Cease Marketing Order, the Development was being advertised on the www.balcom.ca website as follows:
 - (a) The Development consists of a nine unit condominium project with a projected completion date of December 2007, all of which are considered "sold", as the developer has received down payments for all of them. These nine units were to be located in a single building on the site.
 - (b) The developer of the Development has received a development permit to construct an additional two buildings, containing, respectively 8 and 11 units. Construction of the 8-unit building had commenced in August 2007, with occupancy expected to occur in late spring 2008. Construction of the 11-unit building was expected to occur in 2007.
10. Prior to any part of the Development being marketed for sale, a developer is required, under the provisions of *REDMA*, to prepare and file with the Superintendent a disclosure statement containing prescribed information.
11. No disclosure statement was filed in respect of the Development until June 11, 2008.
12. Madden, R. Balcom and K. Balcom admit that they marketed the Development without first preparing the prescribed disclosure statement and filing it with the Superintendent, contrary to sections 3(1) and 14(1) of *REDMA*.
13. R. Balcom admits that:
 - (a) he was at all times aware that a disclosure statement needed to be filed in respect of the Development;

- (b) one of the impediments to filing the disclosure statement was problems relating to the provision of water and plumbing to the development units;
 - (c) the water and plumbing which had been installed did not meet municipal standards, and had to be removed and replaced at the request of the municipality; and
 - (d) he continued to market the Development knowing that the disclosure requirements under *REDMA* had not been met.
14. Madden, R. Balcom and K. Balcom admit that they received monies from at least 9 people to secure an interest in the Development without depositing those monies in a trust account, contrary to sections 3(2) and 18(1) of *REDMA*.

C. WAIVER

Balcom, Madden, BFC, Asher, East View, R. Balcom and K. Balcom waive their right to a hearing under section 29 of *REDMA*, and their right to appeal under section 37 of *REDMA*.

Dated at Surrey, British Columbia, this 29th day of July, 2008.



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

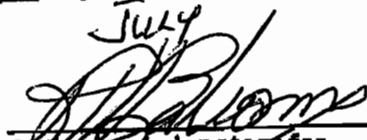
Dated at PRINCE GEORGE, British Columbia, this 25 day of July, 2008.


Ralph Balcom

Dated at PRINCE GEORGE, British Columbia, this 25 day of July, 2008.


Kathy Balcom

Dated at PRINCE GEORGE, British Columbia, this 25 day of July, 2008.


Authorized signatory for
Balcom Financial Corp.

Dated at PRINCE GEORGE, British Columbia, this 25 day of July, 2008.


Authorized signatory for
Madden Holdings Ltd.


Dated at PRINCE GEORGE, British Columbia, this 25 day of July, 2008.


Authorized signatory for
BFC Development Corp.

Dated at _____, British Columbia, this 25 day of _____, 2008.

PRINCE GEORGE

July


Authorized signatory for
Asher Strata Homes

Dated at _____, British Columbia, this 25 day of _____, 2008.

PRINCE GEORGE

July


Authorized signatory for
East View Ridge Developments