



**IN THE MATTER OF  
THE REAL ESTATE DEVELOPMENT MARKETING ACT  
S.B.C. 2004, Chapter 41**

**-AND-**

**REVELSTOKE MOUNTAIN RESORT LIMITED PARTNERSHIP**

**-AND-**

**REVELSTOKE MOUNTAIN RESORT INC.**

**-AND-**

**ANDREA GAIL GAGLARDI**

**-AND-**

**DEVONNA BROOKE GAGLARDI**

**CONSENT ORDER  
[REDMA s.28]**

The following agreement has been reached between and consented to by Revelstoke Mountain Resort Limited Partnership ("RMRLP"), Revelstoke Mountain Resort Inc. ("RMRI"), Andrea Gail Gaglardi ("A. Gaglardi"), Devonna Brooke Gaglardi ("D. Gaglardi") and the Superintendent of Real Estate (the "Superintendent"):

## A. ORDERS

RMRLP, RMRI, A. Gaglardi, and D. Gaglardi consent to, and the Superintendent makes, the following orders pursuant to sections 28, 30 and 31 of the *Real Estate Development Marketing Act* (the "Act"):

1. That RMRI, A. Gaglardi and D. Gaglardi shall, jointly and severally, pay an administrative penalty in the amount of **\$45,000**, immediately upon execution of this Order, pursuant to section 30 of the *Act*;
2. That RMRLP, RMRI, A. Gaglardi and D. Gaglardi shall, jointly and severally, pay costs of the investigation in the amount of **\$3,000**, immediately upon execution of this Order, pursuant to sections 30(1)(c) and 31 of the *Act*.

## B. FACTS AND ADMISSIONS

As the basis for these Orders, RMRLP, RMRI, A. Gaglardi and D. Gaglardi acknowledge the following facts as correct and make the following admissions:

### *Background*

1. RMRLP is a registered limited partnership in British Columbia with a declaration date of February 15, 2007. RMRLP's registered office is located at 1300 – 777 Dunsmuir Street in Vancouver, British Columbia.
2. The general partner of RMRLP is RMRI.
3. RMRI was incorporated in British Columbia on February 2, 2007. RMRI's registered and records office is located at 1300 – 777 Dunsmuir Street in Vancouver, British Columbia.
4. At all times material to this Order, both A. Gaglardi and D. Gaglardi were directors of RMRI.
5. Revelstoke Alpine Village Inc. ("RAVI") was incorporated in British Columbia on October 1, 2006. RAVI's registered and records office is located at 1300 – 777 Dunsmuir Street in Vancouver, British Columbia.

6. RMRLP, RMRI, A. Gaglardi and D. Gaglardi shall be referred to, collectively, as the "Developers".

*Nelsen Lodge*

7. RMRLP is the named developer of a development known as Nelsen Lodge, located at 2950 Camozzi Road in Revelstoke, British Columbia ("Nelsen Lodge" or the "Development").
8. On March 14, 2007, RMRLP filed a disclosure statement for the Development (the "March 2007 Disclosure Statement"). Since that date, the following amendments to the March 2007 Disclosure Statement have been filed with the Superintendent:
  - (a) Amendment to disclosure statement dated March 30, 2007, and received April 2, 2007 (the "First Amendment");
  - (b) Amendment to disclosure statement dated November 14, 2007 and received November 16, 2007 (the "Second Amendment");
  - (c) Amendment to disclosure statement dated January 11, 2008 and received January 15, 2008 (the "Third Amendment");
  - (d) Amendment to disclosure statement dated January 25, 2008 and received January 28, 2008 (the "Fourth Amendment");
  - (e) Amendment to disclosure statement dated February 7, 2008 and received February 8, 2008 (the "Fifth Amendment");
  - (f) Amendment to disclosure statement dated October 24, 2008 and received October 28, 2008 (the "Sixth Amendment");
  - (g) Amendment to disclosure statement dated February 3, 2009 and received February 5, 2009 (the "Seventh Amendment");

- (h) Amendment to disclosure statement dated March 12, 2009 and received April 1, 2009 (the "Eighth Amendment"); and
- (i) Amendment to disclosure statement dated December 1, 2009 and received January 12, 2010 (the "Ninth Amendment").

(collectively, the "Disclosure Statements").

9. The Disclosure Statements disclose, in part, the following:
- (a) Nelsen Lodge will consist of five buildings and over 200 strata lots, to be constructed in phases;
  - (b) RAVI is the owner of the land upon which Nelsen Lodge will be constructed, which holds the land as nominee agent and bare trustee for the Developer as sole beneficial owner; and
  - (c) RMRLP's real estate agent is Sotheby's International Realty Canada ("Sotheby's").

#### *March 2009 Undertaking*

10. On February 20, 2009, staff of the Superintendent (the "Staff") wrote counsel for the Developers advising that the disclosure made to date did not plainly disclose all material facts as required under the *Act*. The Developers were asked to cease all marketing immediately, and not to resume until an amendment had been filed. The Developers were also asked to provide Staff with an undertaking not to market.
11. On March 25, 2009, further to Staff's request, RMRLP, by its general partner RMRI, provided an Undertaking to Cease Marketing (the "March 2009 Undertaking") pursuant to which RMRLP confirmed and undertook as follows:
- (a) All marketing of development units in Nelsen Lodge had ceased as of February 20, 2009;
  - (b) Marketing of development units in Nelsen Lodge would not resume "until the Developer has filed under the *Act* with the [Superintendent] a disclosure statement amendment or new

disclosure statement for the development that is in the required form and includes the required contents as set out in the Superintendent's Policy Statements"; and

- (c) A copy of the March 2009 Undertaking would be given to "anyone who is marketing the development properties...on behalf of the Developer, including any real estate broker acting for the Developer."
12. Both A. Gaglardi and D. Gaglardi signed the March 2009 Undertaking on behalf of RMRI.
  13. RMRLP did not file the Eighth Amendment until April 1, 2009 and, pursuant to the terms of the March 2009 Undertaking, should not have marketed Nelsen Lodge prior to that date.
  14. RMRLP, and its general partner, RMRI, breached the terms of the March 2009 Undertaking by marketing the following development units in Nelsen Lodge between February 20, 2009 and April 1, 2009:
    - (a) Strata lot 29  
Contract of Purchase and Sale dated March 1, 2009  
Sale did not complete
    - (b) Strata lot 66  
Contract of Purchase and Sale dated March 18, 2009  
Title transferred June 22, 2009
    - (c) Strata lot 48  
Contract of Purchase and Sale dated March 19, 2009  
Title transferred on April 3, 2009
    - (d) Strata lot 64  
Contract of Purchase and Sale dated March 19, 2009  
Title transferred on June 4, 2009
  15. RMRLP, and its general partner, RMRI, further breached the terms of the March 2009 Undertaking by failing to provide a copy of it to Sotheby's.

*June 2009 Undertaking*

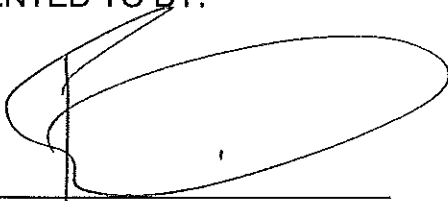
16. On April 29, 2009, Staff advised counsel for the Developers that the Eighth Amendment was deficient and that until such time as a further amendment was filed, marketing of Nelsen Lodge would have to cease. Staff asked that RMRLP provide a further undertaking to cease marketing, pursuant to s.36 of the *Act*.
17. On June 2, 2009, RMRLP, by its general partner RMRI, provided Staff with an Undertaking to Cease Marketing (the "June 2009 Undertaking"), pursuant to which RMRLP confirmed and undertook as follows:
  - (a) All marketing of development units in Nelsen Loge had ceased as of May 11, 2009;
  - (b) Marketing of development units in Nelsen Lodge would not resume "until the Developer has filed under the *Act* with the [Superintendent] a disclosure statement amendment or new disclosure statement for the development that is in the required form and includes the required contents as set out in the Superintendent's Policy Statements"; and
  - (c) A copy of the June 2009 Undertaking would be given to "anyone who is marketing the development properties...on behalf of the Developer, including any real estate broker acting for the Developer."
18. Both A. Gaglardi and D. Gaglardi signed the June 2009 Undertaking on behalf of RMRI.
19. RMRLP did not file the Ninth Amendment until January 12, 2010 and, pursuant to the terms of the June 2009 Undertaking, should not have marketed Nelsen Lodge prior to that date.
20. RMRLP, and its general partner RMRI, breached the terms of the June 2009 Undertaking by marketing development units in Nelsen Lodge both on its website ([www.revelstokepremiumproperties.com](http://www.revelstokepremiumproperties.com)), and at its sales office, located in Revelstoke between May 11, 2009 and January 12, 2009.

- 21. The marketing which took place in breach of the June 2009 Undertaking resulted in the following sales of development units in Nelsen Lodge:
  - (a) Strata lot 29  
Contract of Purchase and Sale dated August 31, 2009  
Title transferred September 30, 2009
  - (b) Strata lot 67  
Contract of Purchase and Sale dated June 10, 2009  
Title transferred September 1, 2009
- 22. RMRLP and its general partner, RMRI, further breached the terms of the June 2009 Undertaking by failing to provide a copy of it to Sotheby's.
- 23. By marketing units in Nelsen Lodge contrary to the terms of both the March 2009 Undertaking and the June 2009 Undertaking, and without plainly disclosing all material facts, RMRLP, RMRI, A. Gaglardi and D. Gaglardi were in breach of sections 3, 14, 16 and 36 of the *Act*.

**C. WAIVER**

- 24. RMRLP, RMRI, A. Gaglardi and D. Gaglardi waive their right to appeal under section 37 of the *Act*.


CONSENTED TO BY:



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Duly authorized signatory for  
Revelstoke Mountain Resort Limited Partnership



\_\_\_\_\_  
Duly authorized signatory for  
Revelstoke Mountain Resort Inc.



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Andrea Gail Gaglardi



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Devonna Brooke Gaglardi

APPROVED AS TO FORM AND CONTENT:



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Stephanie A. Jackson  
Legal Counsel to the Staff of the  
Superintendent of Real Estate

Dated at the  
City of Surrey,  
Province of British Columbia  
this 21 day of July, 2010.



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Carolyn Rogers  
Superintendent of Real Estate  
Province of British Columbia