AND

IN THE MATTER OF

0981478 B.C. LTD.

AND

MARK JOHN CHANDLER

(Pursuant to section 27 of the Real Estate Development Marketing Act)

NOTICE OF HEARING

NOTICES OF HEARING issued by the Superintendent of Real Estate include allegations which will be considered at a hearing. The allegations contained in a Notice of Hearing are unproven allegations until the Superintendent of Real Estate or his appointee has determined their validity.

To:

0981478 B.C. LTD. Suite 2300, Bentall 5 550 Burrard Street

Vancouver, BC V6C 2B5

And to:

Mark John Chandler

WHEREAS 0981478 B.C. Ltd. ("098") is the developer of a 92 unit development located at 5020 – 221A Street, Langley, BC, known as "Murrayville House". Mark John Chandler ("Chandler") is the sole director and officer of 098;

AND WHEREAS the Superintendent of Real Estate received a first investigative report of the staff of the Superintendent of Real Estate ("Staff") and issued orders against 098 on September 8, 2017 (the "Cease Order"), without notice to 098. 098 requested a hearing respecting one of the terms of the Cease Order as set out below;

AND WHEREAS the Staff continued its investigation into the conduct of 098.

TAKE NOTICE that the Superintendent of Real Estate (the "Superintendent") will hold a hearing pursuant to section 29 of the Real Estate Development Marketing Act ("REDMA") on a date and time to be determined at the offices of the Superintendent of Real Estate at 2800 - 555 West Hastings Street in Vancouver, BC to provide both 098 and Chandler with an opportunity to be heard prior to the Superintendent making any order under the REDMA should it be determined that 098's conduct contravened the REDMA, or regulations made under the REDMA ("Regulations").

AND TAKE NOTICE that if the Superintendent intends to make an order against the developer under section 30(1)(c) or (d) of the REDMA, the Superintendent may also make an order against Chandler, being a person who was an officer, director, controlling shareholder or partner

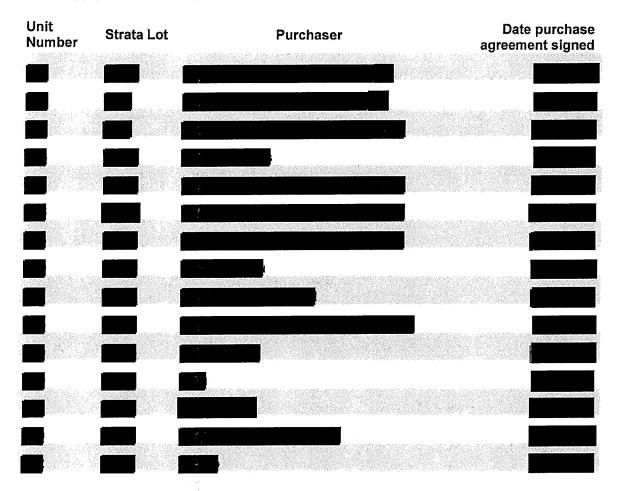
of the developer at the time of non-compliance, if that person authorized, permitted or acquiesced in the non-compliance, pursuant to section 30(2) of the REDMA.

AND TAKE NOTICE that 098 requested a hearing to challenge the following term of the Cease Order of the Superintendent of Real Estate:

1. That pursuant to section 30(1)(b) of REDMA, 098 shall place all deposits received from a purchaser of a development unit with a brokerage, lawyer, notary public or prescribed person and instruct that brokerage, lawyer, notary public or prescribed person to hold the deposit as trustee in a trust account in a savings institution in British Columbia, including deposit amounts received by the Developer from the purchasers under the 24 Agreements;

AND TAKE FURTHER NOTICE that further allegations particularized in the second investigative report dated January 30, 2019 against 098 are as follows:

2. Contrary to sections 3(1), 14(1) and 15 of the REDMA, 098 marketed development units in Murrayville House without having prepared and filed a disclosure statement with the Superintendent of Real Estate or provided a disclosure statement to the following presale purchasers, or any one of them, who entered into purchase agreements prior to the filing of a disclosure statement:





- 3. Contrary to section 11(1) of the REDMA, 098 marketed development units in Murrayville House without making adequate arrangements to ensure that the purchasers of 55 of the development units would have assurance of title or of other interest for which the purchaser has contracted, as set out in Schedule "A" attached to this Notice of Hearing in that those units set out in Schedule "A" had been sold to more than one purchaser;
- 4. Contrary to sections 14(2), 16(1) and 16(4) of the REDMA, 098:
 - a. failed to plainly disclose, without misrepresentation, all material facts in the disclosure statement in that 098 failed to disclose the following mortgages, liens, judgments, certificates of pending litigation, unregistered contingent mortgages for which the contingency was ultimately met requiring registration, and promissory notes, or any one of them, all as set out in Schedule "B";
 - b. failed to immediately file a new or amended disclosure statement with the Superintendent once 098 became aware that the disclosure statement did not comply with the REDMA or its Regulations, or contained a misrepresentation; and
 - c. continued to market Murrayville House without complying with section 16(1)(a) and without the permission of the Superintendent;
- 5. Contrary to sections 18(1) and 3(2) of REDMA, 098 received deposits of approximately more than \$10 million from purchasers, or any one of them, in relation to development units and subsequently failed to promptly, or at all, place the deposits with a brokerage, lawyer, notary public or prescribed person who must hold the deposits as trustee in a trust account in a savings institution in British Columbia as set out in Schedule "C".

AND TAKE FURTHER NOTICE that in the event of your non-attendance at the hearing, the Superintendent may proceed with the hearing in your absence. The Superintendent may hear evidence and make findings regarding your conduct and may make orders under sections 30 and 31 of the REDMA, all without further notice to you.

AND TAKE FURTHER NOTICE that you are entitled, at your own expense, to be represented by legal counsel at the hearing and you and your counsel will have the full right to cross-examine all witnesses called and to call evidence in your defence and reply in answer to the allegations.

Issued at the City of Vancouver in the Province of British Columbia this 3 day of January 2019.

Johathan Vandall Deputy Superintendent of Real Estate Province of British Columbia

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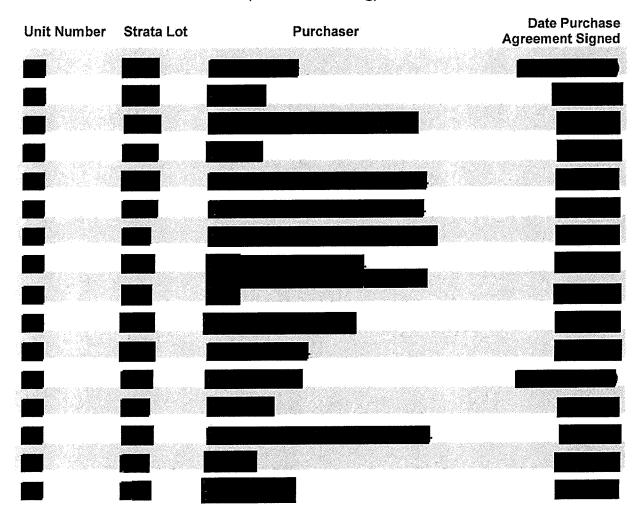
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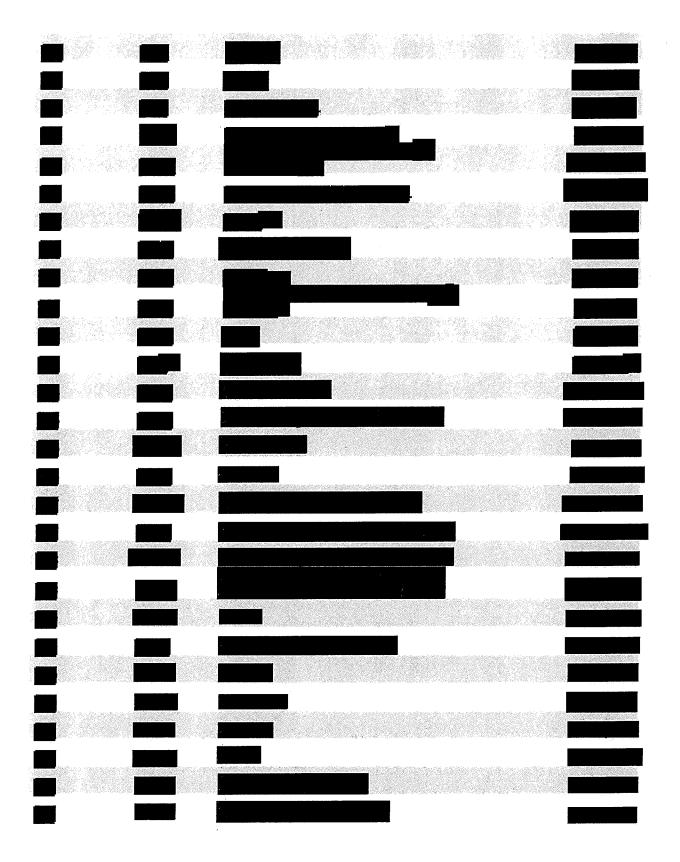
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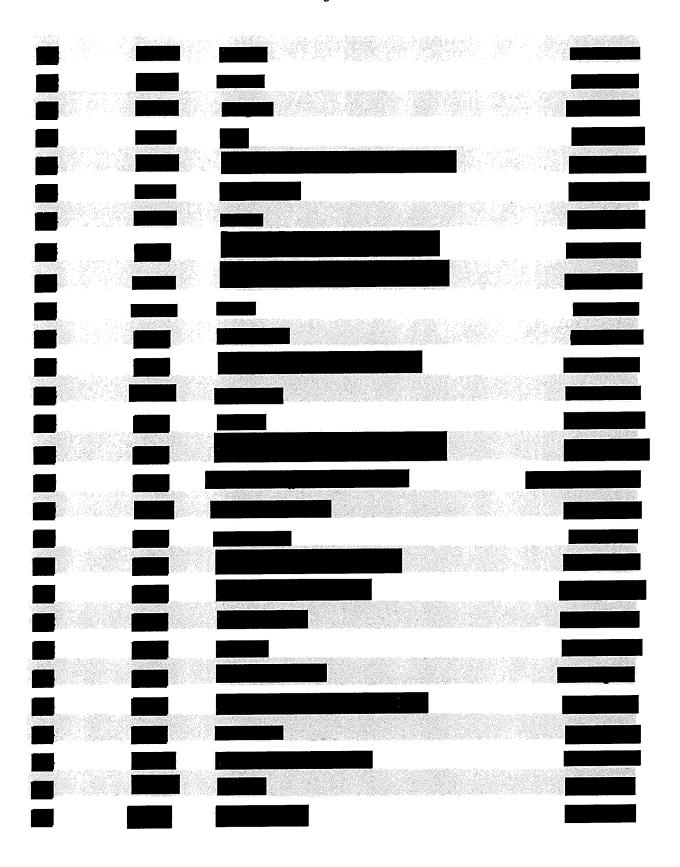
MARK JOHN CHANDLER

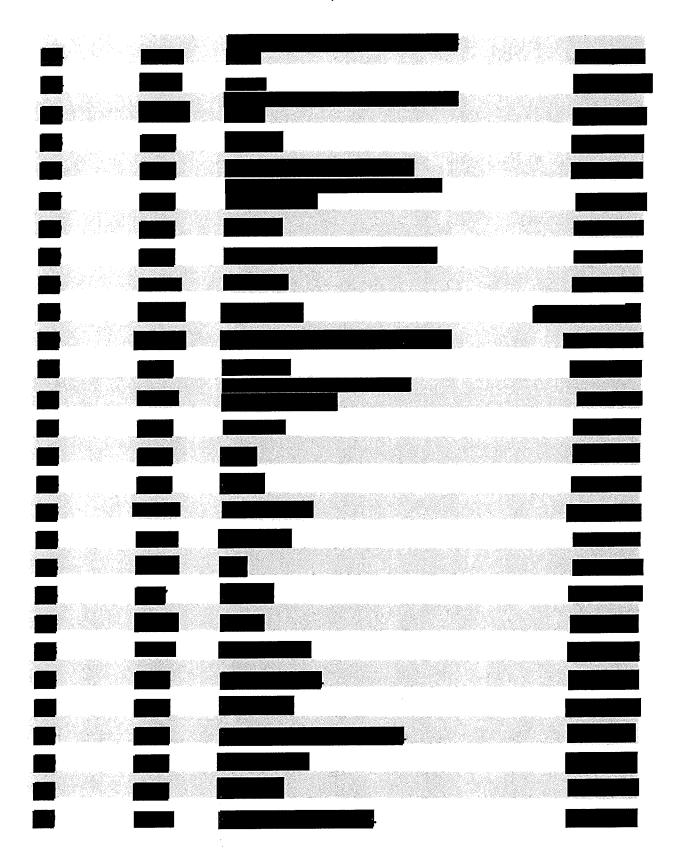
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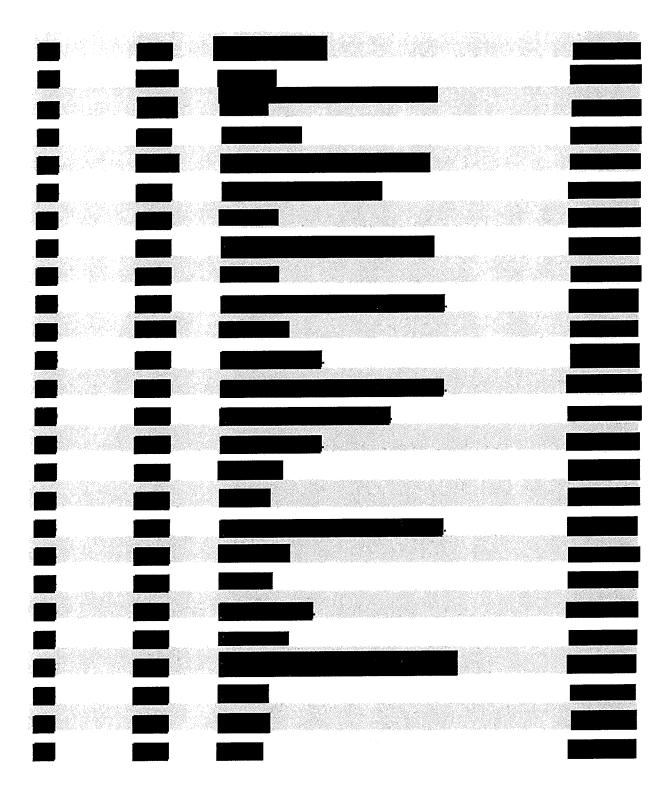
Schedule A (Notice of Hearing)











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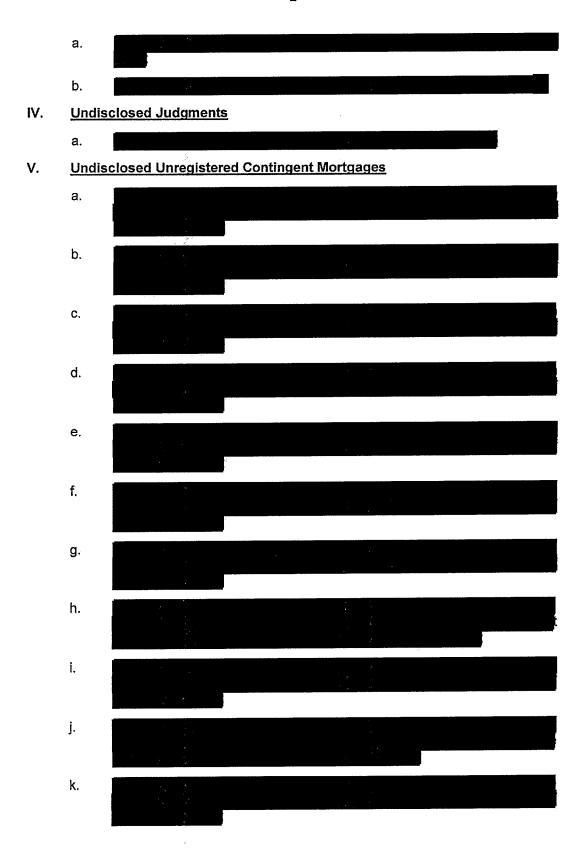
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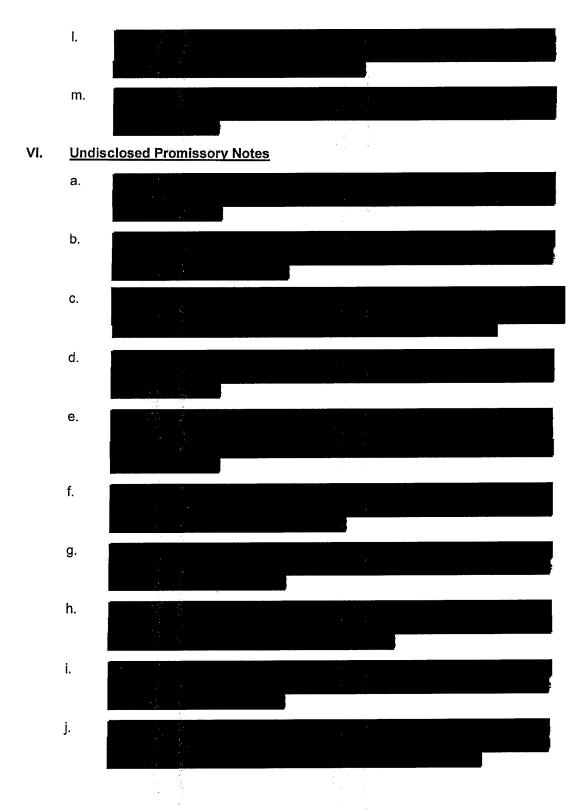
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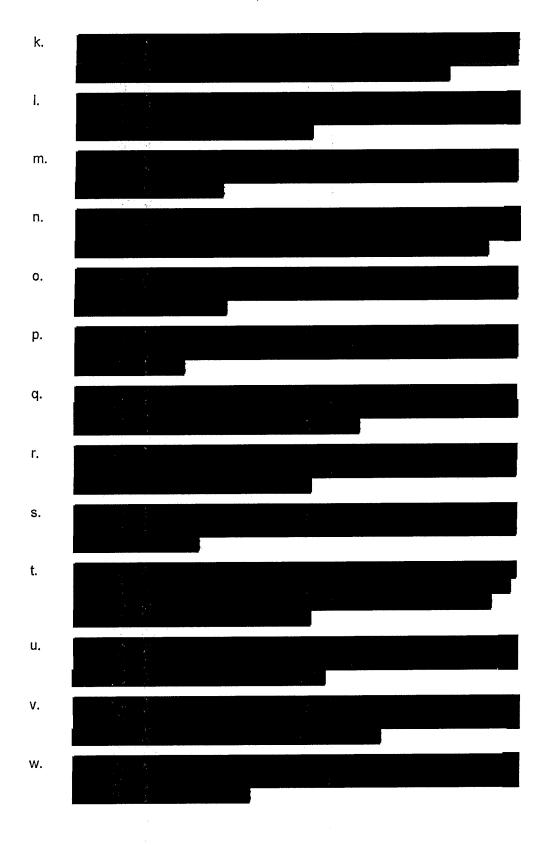
Schedule B (Notice of Hearing)

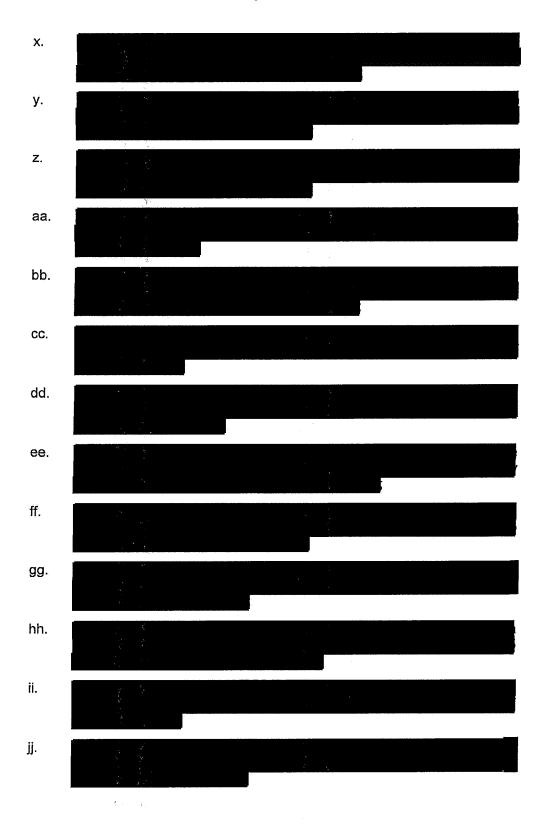
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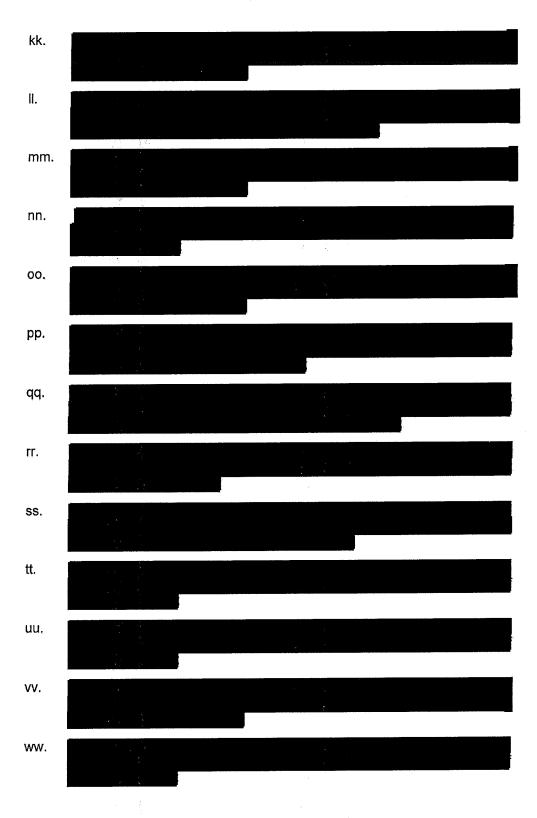
III. Undisclosed Certificates of Pending Litigation











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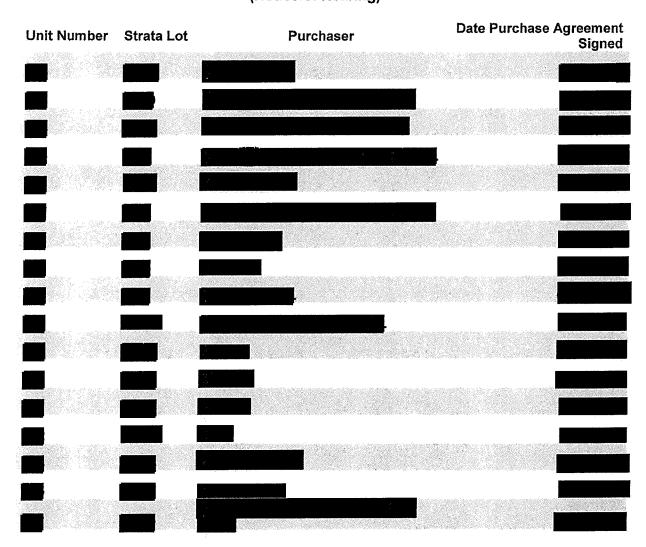
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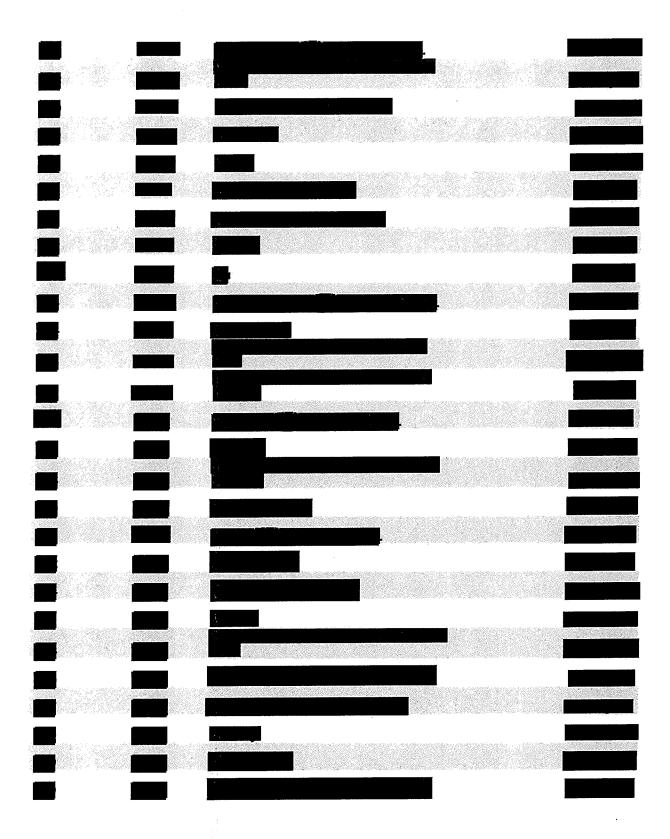
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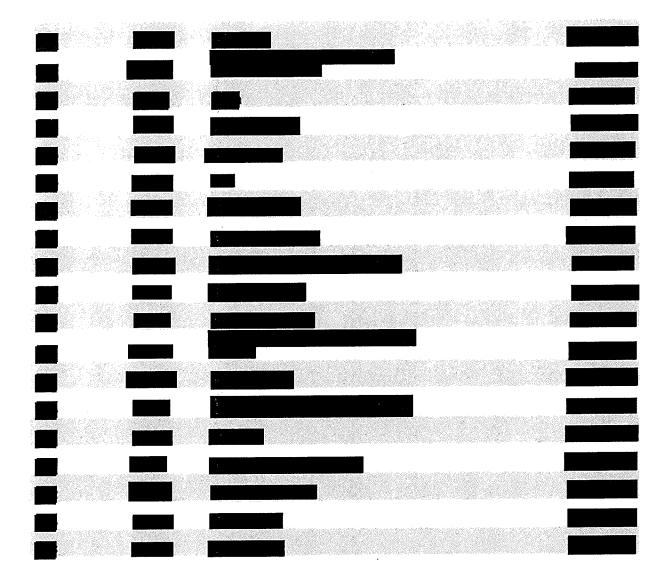
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Schedule C (Notice of Hearing)







3