

STATE OF NORTH DAKOTA

BEFORE THE

COUNTY OF BURLEIGH

SECURITIES COMMISSIONER

In the Matter of Capital Growth Real)
 Estate Partners of Miami, LLC; CGF)
 Securities, LLC; and Ross Owen)
 Haugen,)
)
 Respondents)

CONSENT ORDER

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The North Dakota Securities Commissioner has advised each of the respondents, Capital Growth Real Estate Partners of Miami, LLC (CGRE), CGF Securities, LLC (CGF), and Ross Owen Haugen (Haugen), that the Commissioner is prepared to commence formal action pursuant to North Dakota Century Code Chapter 10-04 and has determined as follows:

1. Respondent, CGRE, is a securities issuer that is headquartered in Boca Raton, Florida. Respondent made a securities filing pursuant to section 10-04-08.4 on October 8, 2002.
2. Respondent, CGF, is a securities dealer headquartered in Boca Raton, Florida. For all times relevant to this matter, CGF has been registered as a dealer in the state of North Dakota. CGF is a firm which is affiliated with CGRE.
3. Respondent, Haugen, is a North Dakota resident who has been a securities agent for various firms for more than ten years. From August 1 through August 5, 2002, Haugen held a temporary registration as an agent of CGF. From August 6 through August 20, 2002, Haugen was not registered in any capacity with any firm registered as a dealer in North Dakota. From August 21 to the present, Haugen became registered as an agent of CGF through a registration agreement with the Commissioner.
4. On or around August 13, 2002, respondents sold stock in CGRE to one resident of North Dakota, such sale being made more than 15 days prior to the filing in North Dakota, as referenced in paragraph 1.
5. Based on the information briefly set forth above, on October 3, 2002, the Commissioner issued a Cease and Desist Order against the respondents.
6. Pursuant to section 10-04-04 N.D.C.C., no person may offer for sale or sell any securities in this state unless the security is registered, exempt from registration, or is properly filed as a federal covered security.

7. Pursuant to section 10-04-10 N.D.C.C., no person may act as a dealer in the sale of securities in this state unless the dealer is registered, unless the transaction is an exempt transaction.

8. Pursuant to section 10-04-16 N.D.C.C., when it shall appear to the Commissioner that any person has engaged in, or is engaging in, or is about to engage in any act or practice which is declared illegal in this chapter, the Commissioner may issue any order and collect civil penalties against any person found in an administrative action to have violated any provision of the chapter in an amount not to exceed \$10,000 for each violation.

9. The violations described above are sufficient grounds for the Commissioner to assess civil penalties against respondent pursuant to section 10-04-16 N.D.C.C.

10. Respondent acknowledges his/her right to a hearing on this matter and waives this right to a hearing and to present arguments to the Commissioner.

11. Respondent agrees to resolve this matter with the Securities Commissioner by this Consent Order.

12. The following Order is necessary and appropriate in the public interest.

NOW, THEREFORE, IT IS ORDERED, THAT:

1. Respondent, CGRE, shall not transact any securities business with any person in North Dakota unless respondent's securities are registered, exempt from registration, or properly filed as a federal covered security as required by North Dakota law.

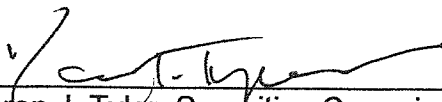
2. Respondents, CGF and Haugen, shall not transact any securities business with any person in North Dakota unless the securities related to the transactions are registered, exempt from registration, or properly filed as a federal covered security as required by North Dakota law.

3. Respondent, CGRE, shall make an offer of rescission, properly filed and approved in accordance with section 10-04-06 (9) (a) N.D.C.C., to the North Dakota resident who was sold an interest in the Respondent's securities as described above. The initial filing must be made within thirty (30) days of the entry of this Agreement. If changes to the filing are required by the Commissioner, such changes must be made within fifteen (15) days of such request by the Commissioner. Once the filing is approved, the offer shall be extended to each North Dakota investor within fifteen (15) days of the approval date. Any persons who accept the offer shall be paid by the Respondent within thirty (30) days of the acceptance of the offer.

4. Respondent, CGRE, shall pay a civil penalty of \$1,000 to the Office of the Securities Commissioner pursuant to NDCC §10-04-16.
5. Respondents, CGF and Haugen, shall pay a civil penalty of \$3,000.
6. The Cease and Desist Order issued on October 3, 2002 is hereby vacated.
7. This Order shall be effective upon signature of the Commissioner.

Signed and Sealed this 27th day of January, 2003.





Karen J. Tyler, Securities Commissioner
Office of the Securities Commissioner
State Capitol-5th Floor
600 East Boulevard Ave.
Bismarck, ND 58505-0510
(701) 328-2910

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Haugen,)
)
)
Respondents)

**CONSENT TO ENTRY
OF ORDER**

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Each of the undersigned, on behalf of the Respondents, state that he has read the foregoing Consent Order and that he knows and fully understand its contents and effects. Each further states that he is executing this Consent to Entry of Order on behalf of the Respondents, and that all parties have waived their rights to a hearing with respect to this matter, and that they consent to entry of the Consent Order by the Securities Commissioner.

It is further expressly understood that the Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

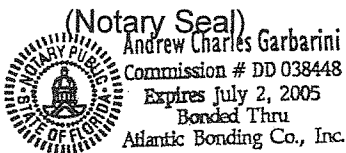
Dated this 14th day of January, 2003.

Capital Growth Real Estate Partners of
Miami, LLC
225 NE Mizner Blvd., Suite 750
Boca Raton, FL 33432

Michael S. Jacobs
By: Michael S. Jacobs
Its: President

Subscribed and Sworn before me this 14th day of January, 2003.

Andrew Charles Garbarini
Notary Public
State: Florida County: Palm Beach
My Commission Expires: 7/2/2005



Dated this 14th day of January, 2003.

CGF Securities, LLC
225 NE Mizner Blvd., Suite 750
Boca Raton, FL 33432

Michael S. Jacobs
By: Michael S. Jacobs
Its: President



Andrew Charles Gardner
Commission # DD 038448
Expires July 2, 2005
Bonded Thru
Atlantic Bonding Co., Inc.

(Notary Seal)

Subscribed and Sworn before me this 14th day of January, 2003.
Andrew Charles Gardner
Notary Public
State: Florida County: Palm Beach
My Commission Expires: 7/2/2005

Dated this _____ day of January, 2003.

Ross Owen Haugen
3001 32nd Avenue South
Grand Forks, ND 58201

Subscribed and Sworn before me this _____ day of January, 2003.

(Notary Seal)

Notary Public
State: _____ County: _____
My Commission Expires: _____

Dated this 14th day of January, 2003.

CGF Securities, LLC
225 NE Mizner Blvd., Suite 750
Boca Raton, FL 33432

Michael S. Jacobs
By: Michael S. Jacobs
Its: President



Andrew Charles Subscribed and Sworn before me this 14th day of January, 2003.
Commission # DD 038448
Expires July 2, 2005
Bonded thru
Atlantic Bonding Co., Inc.

(Notary Seal)

Andrew Charles
Notary Public
State: Florida County: Palm Beach
My Commission Expires: 7/2/2005

Dated this 14 day of January, 2003.

Ross Owen Hauger
Ross Owen Hauger
3001 32nd Avenue South
Grand Forks, ND 58201

Subscribed and Sworn before me this 14 day of January, 2003.

(Notary Seal)

Lynette Franks
Notary Public
State: North Dakota County: Grand Forks
My Commission Expires:

LYNETTE FRANKS
NOTARY PUBLIC
STATE OF NORTH DAKOTA
My Commission Expires: Aug. 25, 2005