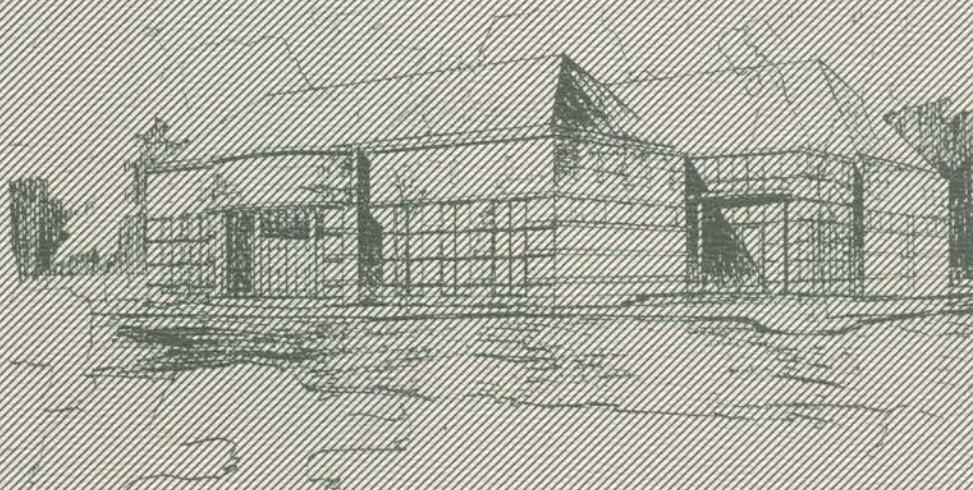


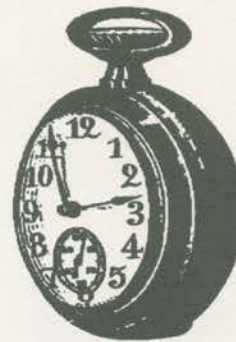
The London and St. Thomas

REAL ESTATE BOARD

**ANNUAL
GENERAL
REVIEW
1991**



Agenda

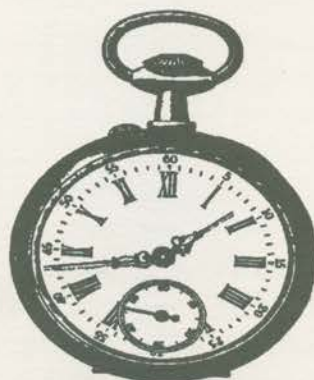


1991 ANNUAL GENERAL MEETING

Board Office
Downstairs Meeting Hall
Tuesday, February 11, 1992

Please turn pagers off for the duration of the meeting

- 8 AM** Registration and Continental Breakfast
- 8:45 AM** Call to Order and Welcome (*Joe Pinheiro, 1992 President*)
Approval of January 29, 1991 Annual General Meeting Minutes
(*See following pages*)
- 9 AM** Adoption of 1991 Committee Reports and Audited Financial Statement and
Appointment of the Board's 1992 Auditors and Solicitors
- Remarks of 1991 President (*Jerry Vandergoot*)
Presentation to 1991 President (*Joe Pinheiro*)
- Presentation to 1991 Retiring Directors (*Joe Pinheiro*)
- Remarks of 1991 Marketing Division President (*Harry Johnston*)
Presentation to 1991 Marketing Division President (*Rick Thyssen, 1992
President*)
- Remarks of 1992 Marketing Division President (*Rick Thyssen*)
- Address of the 1992 President (*Joe Pinheiro*)
- Other Business
- 10 AM** Introduction of Guest Speaker
Address by Guest Speaker (*J. Peter Whatmore on MLS Regionalization*)
Thanking of Guest Speaker
- Adjournment



Minutes of the Annual General Meeting

**TUESDAY, JANUARY 29, 1991
PADDOCK LOUNGE - WESTERN FAIR GROUNDS**

1.) Call to Order

1991 President Jerry Vandergoot welcomed members and called the meeting to order at 8:45 a.m.

2.) Approval of Agenda

MOTION

that the agenda be approved.

CARRIED

3.) Approval of Minutes

MOTION

that the Minutes of the February 26th, 1990 Annual General Meeting be approved.

CARRIED

4.) Approval of 1990 Committee Reports

MOTION

that the 1990 Committee Reports, as contained in the Annual Review, be approved.

CARRIED

5.) Appointment of 1991 Board Auditors and Solicitors

MOTION

that Marcus & Associates and Lerner & Associates be appointed as the Board's Auditors and Solicitors respectively for 1991.

CARRIED

MOTION

that the motion re appointment of Lerner & Associates as the Board's Solicitors for 1991 be reopened and reconsidered.

DEFEATED

6.) Remarks of 1990 President

Lorne Ford stated that it was an honour to serve the Board as its President during 1990 and thanked the membership for so electing him. He commented that he now had an expanded knowledge of the working of our Board, the Canadian Real Estate Association, and the Ontario Real Estate Association which would never be forgotten. Lorne briefly reported on some major undertakings during the past year, such as the sale of the Board building, the acquisition of a new site, progress on the rewriting of the by-law, etc. He then thanked the Board of Directors, Committee Chairmen and members, Board staff and, in particular, our Executive Director Liz Condie for time and efforts extended to him in performing his Presidential duties. In closing, Lorne remarked that he had complete confidence in 1991 President



7.) Presentation to 1990 President

President Jerry Vandergoot then presented Lorne with his President's plaque for 1990, followed by a round of applause.

8.) Presentation to 1990 Retiring Directors

The following 1990 Directors were called to the podium and presented with their retiring Directors plaques.

**John Dunbar
Ben Lansink
Harry Mohaupt
Doug Paul
Larry Waghorn**

9.) Remarks of 1990 Marketing Division President

Judy Dennis thanked everyone, not only for their co-operation and assistance during 1990, but also for electing her as President. Judy predicted that 1991 would be a good year for all members.

10.) Presentation to 1990 Marketing Division President

Harry Johnston then presented Judy with her President's plaque for 1990, followed by a round of applause.

11.) Remarks of 1990 Marketing Division President

Harry advised of Linda Lamont's resignation as Marketing Division President for 1991 and wished Linda all the best. He advised the membership of some of the primary goals of the Marketing Division for 1991 which included Salesarama, the Special Olympics and the Children's Christmas Party. Harry reiterated that 1991 would be a good year and stated that he was looking forward to serving the Marketing Division in his capacity as President during 1991, in addition to working with the 1991 Board of Directors.

12.) Remarks of 1991 President

Jerry started off by promising the membership that he would do his utmost in promoting the interests of the Board and its members during his term of office. He stated that while consumers may remain cautious about long-term commitments at the beginning of the year, he felt that, as reaction to the impact of the recession moderates and interest rates decline, members should see a positive response in the marketplace. In summation, Jerry thanked everyone for having enough confidence in him to elect him as 1991 President.

13.) Other Business - Amendments to the By-Law

a) Notice of Motion "A"

MOTION

that Article V - Membership - Section 3 - Active Associate Members - on page 19 of the by-law be amended by deleting the last paragraph, which reads:

"Each and every time an Active Associate Member transfers to another office, a reinstatement fee of \$25.00 will be charged to and payable by the new Active Member (Class I) office. (Excluding occasions when an Active Associate Member's employment was ceased because the Active Member by whom he was engaged ceased to be an Active Member.)"

b) Notice of Motion "B"

MOTION

that Article VII - (f) Ethics Committee(s) - Section 1 - on pages 58 & 59 of the by-law be amended by deleting under subsection 1.01 the words **"and whom at least one shall be a Member of the Arbitration Committee and at least one shall be a Director."**

CARRIED

c) Announcement by Community Services Chairman

Ashleigh Barney stated that the Committee had a number of interesting ideas for 1991 and advised the funding would be done by the Committee. Community involvement (i.e. food/clothing/shelter for the needy, blood donor clinic) would need support from all members. She requested that members bring can goods to the Marketing Division Luncheon meetings in an endeavour to get the food drive underway.

14.) Address by Guest Speaker

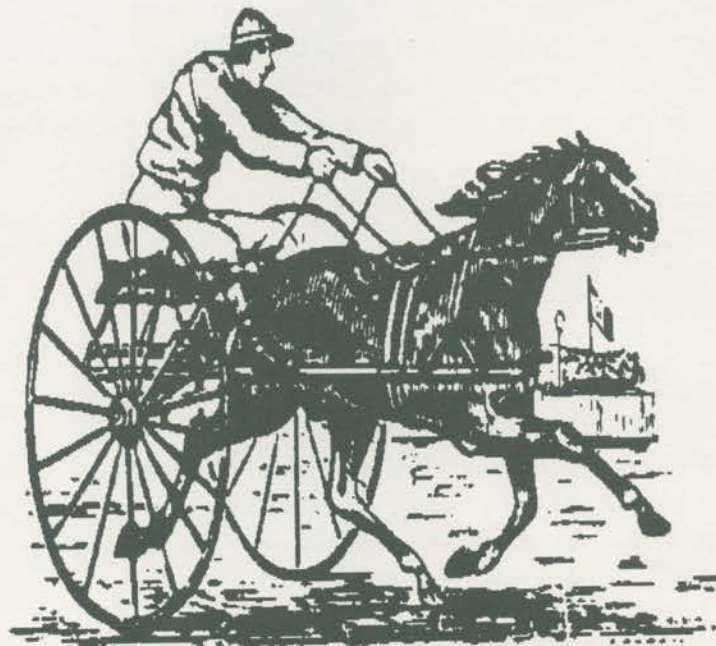
Mayor Tom Gosnell discussed major issues such as annexation, economic development, downtown London improvements, free trade, Via Rail and C.F.B. London. As his enthralling speech is far to lengthy to repeat in these minutes, exciting excerpts will be published in "Across the Board".

15.) Thanking of Guest Speaker

1st Vice-President Pat Batticuore thanked Mayor Gosnell for taking time from his busy schedule to address the membership and presented the Mayor with a token gift of appreciation, followed by a round of applause.

16.) Adjournment

As no further business was raised, the President declared the meeting adjourned at 10:27 AM.



President: Jerry Vandergoot
Past President: Lorne Ford
1st Vice-President: Pat Batticuore
2nd Vice-President: Grant Monteith
Secretary-Treasurer: Gene Baillargeon

Executive

Bill Bickley
Vince Bogdanski
Debbie Collins
Judy Dennis
Peter Hoffman
Bud Raynham
John Sandor
Rick Thyssen

Directors



1991 Board of Directors: (Front row, from left to right) Pat Batticuore, 1st Vice-President; Jerry Vandergoot, President; Lorne Ford, Past President. (Back row, left to right) Rick Thyssen, Director; Vince Bogdanski, Director; Debbie Collins, Director; Bill Bickley, Director; Grant Monteith, 2nd Vice-President; Gene Baillargeon, Secretary-Treasurer. (Absent from photo) Directors Peter Hoffman; Bud Raynham; John Sandor; Harry Johnston; and Judy Dennis.

President's Report

1991! Well, it was a challenging year, all right, and not without controversy. Fortunately, we had the resources to offset the cost of our new Board office, but MLS costs did rise, necessitating increases in members' monthly assessments at a time when money was tight for everybody. Challenges, however, are made to be met, and I can state with confidence and pride that we as a Board managed to meet successfully the challenges 1991 had to offer.

In the first place, at the time of writing, it looks as if the cost of our new building might possibly fall approximately within that acceptable 3% overage of the figure quoted us by Ellis-Don . . . no small accomplishment in these times of over-the-budget and out-of-the-ballpark! Practically *nothing* comes in at budget these days. In fact, according to the Finance Chairman's last report (the figures aren't all in), it looks as if we've adhered to our overall 1991 operating budget very well.

Our biggest challenge, of course, lay in *renegotiating* to our advantage the sale of the old building to David Holden. We did it without having to opt for a lower purchase price, as many have had to do in this recession, obtained a personal guarantee from Mr. Holden, and have successfully covered all our costs.

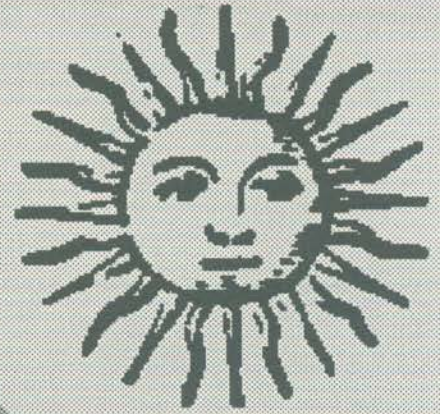
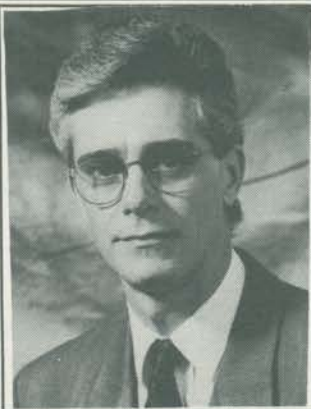
The Board of Directors once again awarded to MLS contract to Moore Data, and this should mean savings to us over the next year. This, in turn, should help to keep our operating costs low and help us rebuild our reserves. In addition, this year's Board of Directors has tightened its own collective belt a great deal, cutting back on such items as lunches at meetings, and eliminating the President's Ball and Civic Appreciation Night altogether in the interests of saving money. The Board received a good deal of attention from the media this year, particularly during the first 6 months and the last 2 or 3, and, despite the fact that we're in a recession year, that press has been by and large quite positive. Moreover there's been much more recognition of the Board's importance on a municipal level. Our opinion has been sought and our help solicited by the City and like interest groups on a number of key issues.

I would like to thank my Board of Directors, the Marketing Division and all the committees for their good work.

A special thank-you to Helen Girardin, Liz Condie and Betty Dore, who have worked so hard to put us in a building which is not only a far more pleasant and efficient work space but which tells everyone who sees it that REALTORS are professionals and that this Board is a force in this community.

It has been a sincere pleasure and a genuine honour to serve as the President of the London and St. Thomas Real Estate Board. I wish my successor and the membership a 1992 the smoothest of sailing.

Respectfully submitted,
Jerry Vandergoot, President



1991 was a challenging year for businesspeople in general and for many of our Board members in particular. The Recession made conservative management -- through the elimination of programs and personnel -- compulsory. Moreover, working on the new Board building distracted both staff and volunteers from their primary work, causing most major projects to be postponed until 1992. I won't say 1991 wasn't a daunting year. It was. However, excellent performances turned in by many dedicated and diligent individuals, enabled the Board to weather the storms of '91 and emerge -- I believe -- the stronger for having faced adversity.



Executive Director's Report

At the beginning of the year, the prevailing economic climate led the Board of Directors to anticipate and plan for a significant decline in membership. When this had not happened by June of 1991, the situation was reevaluated, and the average of assessment-paying members was raised from the previously projected 1350 to 1450. At year's end, the actual average turned out to be 1455 -- pretty much dead on! Maintenance of the *status quo* in these times is anything but insignificant, given an increase in fees and the context of a recession. Indeed, that existing and new members were willing to lend their support to the Board at such a time and under such circumstances stands as an impressive testament to the value they assign to membership in our association.

We have big plans for 1992. Futurists tell us that the economy is in transition, and that Western nations are in the process of evolving from an industrial base to an Information Age. Accordingly, the goal of the Board in the new year will be to provide its members with better information faster. Because of the new technologies now available to us, the turnaround time for MLS information will be initially cut in half with a view to ultimately being able to provide our members with one-day service. Yes. Times, they are a-changing!

As for 1991, there are so many members whose hard work on behalf of the Board deserves recognition and gratitude. To 1991 President Jerry Vandergoot, the directors, committee chairs and members, and to all of our many volunteers, the sincerest of thank yous. Your contribution was vital. You have made the real estate industry better not only for yourselves, but for your peers and future peers. To my staff, I wish to express my heartfelt appreciation. Excellence in service is the standard set in this office; it is maintained through their conscientious efforts.

In conclusion, I would like to remind the membership that 1991 was the most difficult year the real estate industry in London and St. Thomas has experienced in a decade. It's easy to offer value when times are good; delivering value in difficult times is the measure of a truly worthwhile organization. Surely there is a message for all of us in that . . . as well as a confirmation of our mission here at the Board.



Respectfully Submitted,
E.E. Condie
Executive Director

Advertising Standards



During 1991, the Advertising Standards Committee held 6 meetings and dealt with 47 complaints, which necessitated sending a total of 75 letters to our members. Two items were forwarded on to Ethics. The Committee also wrote to the *London Free Press* concerning a member's inquiry about the use of abbreviations. Notices intended to inform members of the requirements of Section 28 of the Act were published on 4 occasions in the Bulletin. In addition, the Committee developed a form letter which could be sent out for our most common and frequent violations, thus saving Board staff from spending valuable time on paperwork.

The Chairman met with local representatives, both provincial and federal, of Consumer And Corporate Affairs concerning "Puffery", which permeates our industry.

At the request of an active broker member, the Committee polled all the Boards in Region 1 regarding private ads by members. At this time, no change is forthcoming.

The Committee also asked for clarification by Mr. G. Randall, the Registrar, on three separate occasions.

Respectfully submitted,
Lew Lint, Chairperson

Respectfully submitted,
Lew Lint, Chairperson

Members:
Barb Allen
Paul Brisco
Joyce Byrne
Joanna Cummins
Chris Livingstone
John Simpson
Maggie Simpson



The 1991 Arbitration Committee was kept busy this year processing 19 claims. Of those 16 processed to date, most were successfully settled at the preliminary level with a volunteer broker acting as conciliator between the claimant and defendant. Due to the efforts and skills of these brokers, only three claims went to full arbitration where two were denied and one was upheld.



One claim from 1990 was returned from OREA to be heard again by the Committee for appeal purposes. OREA then overruled the Committee's decision in finding for the claimant.

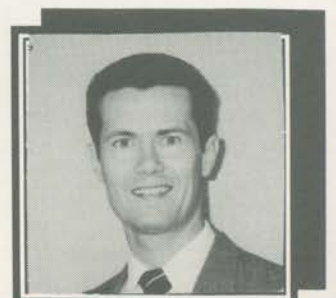
The London and St. Thomas Board remains one of the few in the province to receive claims from salespersons against brokers. This provision in our current by-laws has been the centre of much controversy for the committee this year, and its termination has been considered in the revamping of the Board's by-laws.

All claims were processed professionally, quickly and courteously by the Arbitration Staff Liaison, Lyn Coupland. I wish to thank her and the committee members for their cooperation, input and assistance, as well as those brokers who voluntarily chaired the preliminary arbitration hearings.

Respectfully submitted,
Ron Falck, Chairperson

Members:
Phil Chabot
Bill Clifford
Glen Gordon
Karl Hobyan
Helen Miller
Ray Porter
Veronica Porter

Arbitration





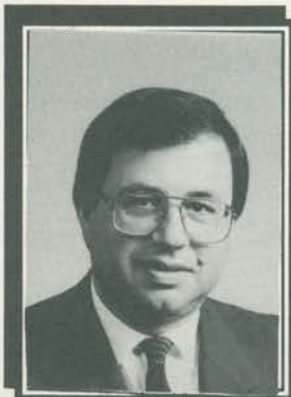
The Constitution and By-Laws Committee met several times in 1991 and spent many hours reviewing our MLS rules and regulations. Many changes were made before presentation to the Board of Directors. The Board of Directors also spent many hours perusing

the proposed changes. After some alterations, the rules and regulations were ratified.

The final revision of our by-laws is scheduled for completion and presentation to the Board of Directors in mid-1992. Following approval by the Board, the complete package, including by-laws, rules and regulations, and a new accompanying policy manual, will go to the members for ratification. My special thanks to our Executive Director, Liz Condie, for her many hours that have gone into this very tedious process.

Respectfully submitted,
Pat Batticuore,
Chairperson

Members:
Debbie Collins
Marje Crowder
John Dunbar
Murray Ford
Mike Morrish
Darlene Reidy
Larry Waghorn



BY-LAWS



Well, a great time was had by all. 400 members and their guests ate up a storm and then danced their feet off until midnight. Special thanks to the committee members and most of all to Karen Stapells at the Board for making this one enjoyable evening!

Respectfully submitted
Joe Melnick, Chairperson

Members:
John Campbell
Stella Galan
Betsy Jeffries
Inge Staunning
John Swan
Nancy Wiseman



Christmas Party



Community Service

In 1991 the Committee, feeling that economic restraint was in order, voted unanimously to waive the budget except for minimal operating expenses and the charitable donation line. We focussed on addressing some of our communities' basic needs -- food, clothing and shelter -- in the face of difficult economic times.

We began the year with a Blood Donor Challenge supported by the Red Cross Society. In addition to providing a needed service to the community, we gained a lot of positive publicity through local radio stations, which kept the public aware of the competition between offices.

Throughout the year we promoted the collection of nonperishable foods for the area food



banks, collecting in excess of 500 pounds of food and just under \$400 in cash donations.

In the area of shelter, the Committee chose to support the Women's Community House, which was conducting a capital campaign to construct a new accommodation for battered women and their children. In addition to making our membership aware of the many fundraising activities held throughout the year for this cause, our own fund-raising events enabled us to make a donation. This was very helpful to them since they had until December 31 to raise money which the Province would match to meet their building costs.

Our last event of the year was to ask our membership to donate "business" clothes to be given to various organizations which help people get back into the work force -- many times people just don't have appropriate clothing to attend interviews. We felt this sort of project was perfect since real estate professionals constitute a large group of well-groomed business people. Unfortunately this campaign was not a success. A very few people chose to participate.

In addition to "service", we also decided to recognize a member of the Board who had given outstanding service to the community. One of our hopes this year was to encourage people to become more aware of the need and value of volunteerism. Although we recognized that many people choose not to blow their own horn and wish to keep their charitable work private, we felt that this was a great opportunity to encourage others to get involved in community service by making everyone aware of the good deeds being performed by fellow members. The recipient of our recognition award will be announced in the new year. We sincerely hope that this will become an annual event.

Overall, the Committee has had a positive feeling about the results of this year's activities, but in many ways it was a learning year, and we feel we know better now how to be more successful in reaching our objectives.

The Committee wishes to thank all our members who participated in our events this year and to congratulate them on their charitable attitude. Every contribution of goods or time was more valuable than you can know. We only wish all of you could see the faces of those you have helped. The gratitude expressed to us was priceless. 1992 will also be a difficult time for many people in our communities. Our sincere wish is that

each of you continue your positive attitude of service to those less fortunate.

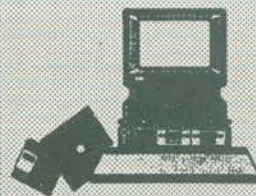


Respectfully submitted,
Ashleigh Barney,
Chairperson

Members:

*Carol Barnard
Richard Corcoran
Connie Jefferys
Cathy MacDougall
Joe Melnick
Betty Mortin*

Computer



The Computer Committee had another productive year in 1991 and met or set the wheels in motion

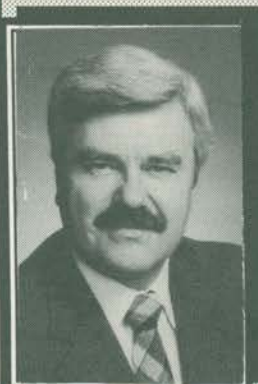
on most of its objectives.

The Committee met four times on its own and twice with the MLS Committee.

The Committee introduced the condominium CMA search for Menu 7 and improved the Land Registry search system for Menu 67. It also held one successful 'Buddy User' group meeting.

I would like to thank all of the committee members and the Board staff for their involvement and assistance.

Respectfully submitted,
Ken Harper, Chairperson



Members:

*Murray Anderson
Vince Bogdanski
Rob Brady
Mary Koziol
Jose Medeiros
Cathy MacDougall
Doug Paul*

THE LONDON AND ST. THOMAS

REAL ESTATE BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 1991

Marcus & Associates

Chartered Accountants

Archie Marcus, C.A.
Gerald S. Marcus, B.A., C.A.
Richard J. Kohn, M.A., C.A.
Terry G. Marcus, H.B.A., C.A.

AUDITORS' REPORT

**To the Members of
The London And St. Thomas Real Estate Board:**

We have examined the balance sheet of The London and St. Thomas Real Estate Board as at December 31, 1991 and the statements of revenue and expenditures, surplus and changes in financial position for the year then ended. These financial statements are the responsibility of The London and St. Thomas Real Estate Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The London and St. Thomas Real Estate Board as at December 31, 1991 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles as described in Note 1 to the financial statements.

Marcus & Associates

Chartered Accountants

London, Ontario
January 17, 1992

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

(Incorporated Without Share Capital Under the Laws of Ontario)

BALANCE SHEET AS AT DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
<u>ASSETS</u>		
Current Assets:		
Bank	\$ 21,477	\$ 43,332
Accounts receivable	110,365	97,637
Interest receivable	4,179	6,103
Inventory of re-sale supplies	30,993	17,722
Prepaid expenses	<u>10,626</u>	<u>17,428</u>
	<u>177,640</u>	<u>182,222</u>
Key Trust Fund	<u>92,700</u>	<u>87,100</u>
General Reserve Fund (Note 2)	<u>265,087</u>	<u>503,894</u>
Mortgage Receivable (Note 3)	<u>1,100,000</u>	<u>-</u>
Real Estate And Fixed Assets [Note 1(a)]:		
Land, building and development costs:		
311 Oxford Street (Note 3)	-	179,612
338-358 Commissioners Road (Note 4)	3,516,088	1,683,994
Furniture and equipment	<u>2</u>	<u>2</u>
	<u>3,516,090</u>	<u>1,863,608</u>
	<u>\$ 5,151,517</u>	<u>\$ 2,636,824</u>
<u>LIABILITIES AND SURPLUS</u>		
Current Liabilities:		
Bank advances (Note 5)	\$ 300,000	\$ -
Accounts payable and accrued liabilities	206,799	223,727
Deposit on 311 Oxford Street	<u>-</u>	<u>75,000</u>
	<u>506,799</u>	<u>298,727</u>
Key Trust Fund Liability	<u>92,700</u>	<u>87,100</u>
Mortgage Payable (Note 6)	<u>1,200,000</u>	<u>270,000</u>
Surplus:		
Unallocated surplus	235,930	387,391
Allocated surplus	<u>3,116,088</u>	<u>1,593,606</u>
	<u>3,352,018</u>	<u>1,980,997</u>
	<u>\$ 5,151,517</u>	<u>\$ 2,636,824</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
Revenue:		
Monthly assessments	\$ 2,083,641	\$ 1,697,187
Initiation fees	233,400	273,500
Annual dues	84,159	47,440
M.L.S. charges	34,334	40,452
Interest	17,017	18,861
Member charges	<u>10,000</u>	<u>23,025</u>
	<u>2,462,551</u>	<u>2,100,465</u>
Expenditures:		
M.L.S. - Schedule 1	1,060,053	1,125,272
Professional development - Schedule 2	128,019	191,226
Administration - Schedule 3	487,705	467,397
Operations - Schedule 4	148,537	145,885
Occupancy - Schedule 5	76,782	42,457
Building relocation costs - Schedule 6	<u>222,805</u>	<u>-</u>
	<u>2,123,901</u>	<u>1,972,237</u>
Net Under Expenditure On General Operations	<u>338,650</u>	<u>128,228</u>
Other:		
Interest earned - Building reserve	-	25,735
- General reserve	31,177	60,070
Gain on disposal of 311 Oxford Street (Note 3)	<u>1,001,194</u>	<u>-</u>
	<u>1,032,371</u>	<u>85,805</u>
Net Under Expenditure For The Year	<u>\$ 1,371,021</u>	<u>\$ 214,033</u>
Net Under Expenditure For The Year	<u>\$ 1,371,021</u>	<u>\$ 214,033</u>
Deduct:		
Funding of 338-358 Commissioners Road	1,283,675	100,994
Interest earned - Building reserve	-	25,735
- General reserve	<u>31,177</u>	<u>60,070</u>
	<u>1,314,852</u>	<u>186,799</u>
Adjusted Net Under Expenditure For The Year	<u>\$ 56,169</u>	<u>\$ 27,234</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

STATEMENT OF SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>			<u>1990</u>
	<u>Unallocated Surplus</u>	<u>Allocated Surplus</u>	<u>Total Surplus</u>	<u>Total Surplus</u>
Surplus At Beginning Of The Year	\$ 387,391	\$ 1,593,606	\$ 1,980,997	\$ 1,766,964
Add (Deduct):				
Net under expenditure for the year	87,346	1,283,675	1,371,021	214,033
Utilization of General Reserve Funds	<u>(238,807)</u>	<u>238,807</u>	<u>-</u>	<u>-</u>
Surplus At End Of The Year	<u>\$ 235,930</u>	<u>\$ 3,116,088</u>	<u>\$ 3,352,018</u>	<u>\$ 1,980,997</u>

Allocated Surplus Comprised Of:

338 - 358 Commissioners Road costs	\$ 3,516,088	\$ 1,683,994
311 Oxford Street costs	-	179,612
311 Oxford Street mortgage receivable	<u>1,100,000</u>	<u>-</u>
	<u>4,616,088</u>	<u>1,863,606</u>

Deduct:

Mortgage payable on 338 - 358 Commissioners Road	1,200,000	270,000
Bank advances	<u>300,000</u>	<u>-</u>
	<u>1,500,000</u>	<u>270,000</u>
	<u>\$ 3,116,088</u>	<u>\$ 1,593,606</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
Cash And Equivalents Provided By (Used For):		
Operations:		
Net under expenditure for the year	\$ 1,371,021	\$ 214,033
Deduct item which does not involve cash:		
Gain on disposal of 311 Oxford Street	<u>(1,001,194)</u>	<u>-</u>
	369,827	214,033
Decrease (increase) in:		
Accounts and interest receivable	(10,804)	14,264
Prepaid expenses and inventory	(6,469)	(4,784)
Key trust funds	(5,600)	2,500
Increase (decrease) in:		
Accounts payable and accrued liabilities	(16,929)	158,289
Deferred revenue	-	(58,125)
Key deposits	<u>5,600</u>	<u>(2,500)</u>
	<u>335,625</u>	<u>323,677</u>
Investments:		
Land acquisition and development costs	(1,832,093)	(1,683,994)
Deposit on 311 Oxford Street	(75,000)	75,000
Mortgage receivable - 311 Oxford Street	(1,100,000)	-
Net proceeds on 311 Oxford Street	<u>1,180,806</u>	<u>-</u>
	<u>(1,826,287)</u>	<u>(1,608,994)</u>
Financing:		
Mortgage principal advanced	930,000	270,000
Bank advances	<u>300,000</u>	<u>-</u>
	<u>1,230,000</u>	<u>270,000</u>
Decrease In Cash And Equivalents	(260,662)	(1,015,317)
Cash And Equivalents At Beginning Of The Year	<u>547,226</u>	<u>1,562,543</u>
Cash And Equivalents At End Of The Year	<u>\$ 286,564</u>	<u>\$ 547,226</u>
Cash And Equivalents Comprised Of:		
Bank	\$ 21,477	\$ 43,332
General Reserve Fund	<u>265,087</u>	<u>503,894</u>
	<u>\$ 286,564</u>	<u>\$ 547,226</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1991

1. **Accounting Policies:**

These financial statements have been prepared in accordance with generally accepted accounting principles consistent with the applicable guidelines for "not-for-profit" organizations and with the preceding year. Outlined below are those policies considered particularly significant:

a) **Real Estate and Fixed Assets:**

Land and building are recorded at cost. Furniture and equipment have been recorded at nominal value. All expenditures on building improvements, furniture, equipment and computer equipment are expensed in the year incurred.

b) **Depreciation Policy:**

As a "not-for-profit" organization, The London and St. Thomas Real Estate Board does not provide for depreciation on its real estate. This policy is a result of the decision to portray in the Statement of Revenue and Expenditures only those results of current operations which have impact upon the working capital of the Board.

2. **General Reserve Fund:**

The investments within the general reserve fund are comprised of cash, short-term Canada Treasury Bills, and one to three year bonds and debentures.

3. **Land And Building - 311 Oxford Street:**

Effective September 30, 1991 the property at 311 Oxford Street was sold resulting in the following gain on disposal and related mortgage receivable.

a) **Gain on Disposal:**

Proceeds		\$ 1,205,000
Deduct:		
Land and building costs	\$ 179,612	
Real estate commissions	18,000	
Legal fees	<u>6,194</u>	
		<u>203,806</u>
Gain on disposal		<u>\$ 1,001,194</u>

.../2

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

DECEMBER 31, 1991

3. Land And Building - 311 Oxford Street (Cont'd):

b) Mortgage Receivable:

First mortgage of \$1,100,000 receivable in monthly instalments of interest only, calculated at the National Trust Company's prime demand rate of interest plus 1%. The mortgage receivable is secured by a personal guarantee, is fully open for repayment without notice or bonus, and becomes fully due and payable on September 30, 1993.

4. Land And Development Costs - 338-358 Commissioners Road:

	<u>1991</u>	<u>1990</u>
Land acquisition	<u>\$ 1,583,000</u>	<u>\$ 1,583,000</u>
Development costs:		
Construction costs	1,675,160	-
Architectural fees	114,254	-
Mortgage interest and property taxes	72,736	35,609
Legal and land transfer tax	30,206	30,206
Design/build fees	25,000	25,000
Site work (pre-construction)	<u>15,732</u>	<u>10,179</u>
	<u>1,933,088</u>	<u>100,994</u>
	<u>\$ 3,516,088</u>	<u>\$ 1,683,994</u>

5. Bank Advances:

Prime plus 1% revolving demand loan secured by an assignment of the mortgage receivable on 311 Oxford Street.

6. Mortgage Payable:

First mortgage of \$1,200,000 payable in monthly instalments of interest only, calculated at The National Trust Company's prime demand rate of interest. The mortgage payable is secured by the property at 338-358 Commissioners Road, and is due on demand.

It is the Board's current intention to commence monthly instalments of \$4,000 principal, plus interest, effective January 1992.

7. Comparative Information:

Certain of the 1990 figures provided for comparative purposes have been reclassified to conform with the financial statement presentation adopted for 1991.

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
Schedule 1 - M.L.S.:		
Information:		
Catalogues and dailies	\$ 680,549	\$ 693,087
Photographer	<u>199,225</u>	<u>206,781</u>
	<u>879,774</u>	<u>899,868</u>
Services:		
Delivery	89,867	87,042
Land registry	1,179	1,367
Notice sheets	20,145	21,705
Supplies	<u>-</u>	<u>2,433</u>
	<u>111,191</u>	<u>112,547</u>
Computer:		
Hardware	1,033	12,721
Repairs, maintenance and service	21,707	23,415
Software and support service	23,571	21,410
Supplies	1,696	2,272
Telephone	<u>17,829</u>	<u>20,983</u>
	<u>65,836</u>	<u>80,801</u>
General:		
Directors' liability insurance	2,891	1,739
Equipment purchases	-	29,403
Research and other	<u>361</u>	<u>914</u>
	<u>3,252</u>	<u>32,056</u>
	<u>\$ 1,060,053</u>	<u>\$ 1,125,272</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
<u>Schedule 2 - Professional Development:</u>		
Association dues (net of recoveries)	\$ (8,545)	\$ (15,609)
Committees - community service	174	12,318
- education	1,149	3,476
- executive	3,898	3,251
- membership	3,733	6,982
- political affairs	3,357	8,170
- public relations	7,182	13,632
- social events	4,003	10,163
- other	2,838	3,306
Computer	2,175	5,567
CREA conference	40,393	41,953
Donations	3,675	3,500
General meetings	7,123	12,676
Marketing division	25,189	41,425
NAR conference	4,734	5,139
OREA conference	<u>26,941</u>	<u>35,277</u>
	<u>\$ 128,019</u>	<u>\$ 191,226</u>

Schedule 3 - Administration:

Salaries	\$ 408,749	\$ 397,545
Pension and benefits	57,366	51,248
Payroll assessments	<u>21,590</u>	<u>18,604</u>
	<u>\$ 487,705</u>	<u>\$ 467,397</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
Schedule 4 - Operations:		
Equipment:		
Purchases	\$ 7,073	\$ 9,830
Repairs, maintenance and copier charges	<u>12,265</u>	<u>13,813</u>
	<u>19,338</u>	<u>23,643</u>
General:		
Bad debt	2,790	-
Business tax	8,585	5,791
Employee training and travel	3,369	9,494
Member life insurance	48,209	53,915
Miscellaneous	4,572	3,404
Postage	7,803	6,668
Re-sale forms	<u>(4,512)</u>	<u>(4,682)</u>
	<u>70,816</u>	<u>74,590</u>
Professional Fees:		
Audit and related services	6,300	6,000
Consultant	12,000	12,000
Legal - general	<u>13,115</u>	<u>5,182</u>
	<u>31,415</u>	<u>23,182</u>
Stationery:		
Letterhead	1,328	1,371
Stationery/paper	675	2,946
Supplies	<u>6,550</u>	<u>5,318</u>
	<u>8,553</u>	<u>9,635</u>
Telephone	<u>18,415</u>	<u>14,835</u>
	<u>\$ 148,537</u>	<u>\$ 145,885</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

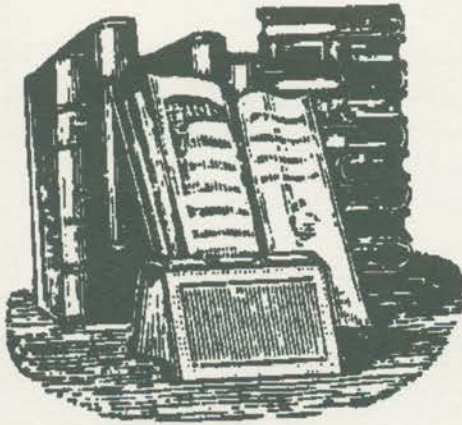
SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1991

	<u>1991</u>	<u>1990</u>
<u>Schedule 5 - Occupancy:</u>		
Building:		
Janitorial	\$ 15,928	\$ 12,753
Repairs and maintenance	10,753	7,011
Sewer rental charges	<u>2,603</u>	<u>-</u>
	<u>29,284</u>	<u>19,764</u>
General:		
Insurance	3,093	1,970
Mortgage/advances interest and costs	38,720	-
Mortgage interest earned	(26,926)	-
Property taxes	18,221	11,583
Utilities	<u>14,390</u>	<u>9,140</u>
	<u>47,498</u>	<u>22,693</u>
	<u>\$ 76,782</u>	<u>\$ 42,457</u>

Schedule 6 - Building Relocation Costs:

Alarm system	\$ 5,401
Appliances	3,834
Artwork and pictures	7,609
Conference equipment	3,057
Decorating, window coverings and sundry	2,338
Fence	7,850
Furnishings	126,630
Landscaping and irrigation system	10,070
Moving expenses - computer	5,308
- general	2,704
Opening events and promotion	11,065
Plants	1,372
Signs and name plates	674
Sound system	13,197
Telephone and computer connections	4,198
Telephone system	<u>17,498</u>
	<u>\$ 222,805</u>



The mandate of the Education Committee is to offer courses to our members and provide them with materials and publications to increase their comprehension, and raise their level of professionalism. Accordingly, the materials in the Resource Centre have been increased to include all the textbooks and tapes necessary for all OREA Phase I, II, and III Certificate and Broker Courses and many of the other voluntary programs. Please feel free to borrow these materials, and we invite all relevant donations, as well as any photos of past special events.

We also offered the First Home Buyers' Seminar in conjunction with the London Public Library, which was awarded an Educational Merit Award by OREA for its participation.

The Committee also responded to requests from high schools to provide speakers on home buying for Home Studies courses.

I would like to thank the Committee for their effort, which made my experience productive and gratifying.

Respectfully submitted,
Al Appleby, Chairman

- Members:**
Barrie Cripps
Audrey Gleed
Shirley McCormick
Bud Moussa
Rick Thyssen
Rhoda Webb



Education

I am pleased to report that, of the 13 ethics cases which proceeded to full hearings in 1991, the Ethics Appeal Panel dealt with only 3 appeals. I would like to take this opportunity to thank the members of this year's committee for their involvement and valuable time.

Respectfully submitted,
**William Bickley,
Chairperson**



- Members:**
Bud Raynham
Peter Hoffman
John Sandor
Pat Batticuore
(Alternate)

The Board Ethics Committee was formed in the Spring of 1978 and, in keeping with our membership growth and the number of complaints, has expanded to three Committees. As of and including December 12, 1991, these committees held a total of 26 meetings and received and processed 47 complaints: 8 from Board members; 28 from the Public; and 11 referrals from other committees. The outcome of these complaints breaks down as follows:

- 2 were withdrawn by the complainants
- 14 were dismissed without an investigation and/or hearing
- 9 were dismissed after an investigation
- 6 were found not guilty after official hearings
- 13 were found guilty after official hearings
- 3 remain to be heard.

Ethics Appeal

Ethics 1, 2, 3

Disciplinary action imposed upon the 13 found guilty varied from a reprimand to a \$2,000 fine to a suspension. Board members and the Public alike rely on the Ethics Committees to resolve problems and as a forum in which they may voice their concerns over a member's behaviour. In many instances, once given the opportunity to discuss and confront the issue and once the lines of communication are opened, the involved parties, with the help of the Committee, see the whole picture more clearly and can proceed more easily to solve their problem. Fortunately, we rarely see a case where unethical behaviour was willful.

Many of the cases considered by the Committees could have been dealt with privately had complaints been dealt with by the sales representative or the broker whose behaviour was at issue as soon as those complaints were voiced. Open and honest communication is the key here, and the Golden Rule -- "Do unto others as you would have them do unto you" -- is no less true for being often tried!

As REALTORS, it is our obligation to present a professional image to the Public and to treat our members in a businesslike manner. Your Committees clearly understood the seriousness of each case and studied all facts carefully before reaching any decisions. Their time, care and effort is very much appreciated. A special thanks to Lyn Coupland for her support and guidance through the year.

Ethics Committee I

Bea Kiekens, Chairperson

Members:

Mike Hines

Gerry Logan

Fred Nelles

Gerry Petersen

Veronica Porter

Jarmo Stomberg



Ethics Committee II

Ian Fleming, Chairperson

Members:

Vince Bogdanski

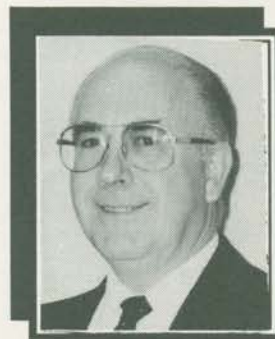
Bev Bosveld

John Lauckner

Betty Mallette

Lynn Pawlowski

Ted Saker



Ethics Committee III

Bill Clifford, Chairperson

Members:

Bing Anrep

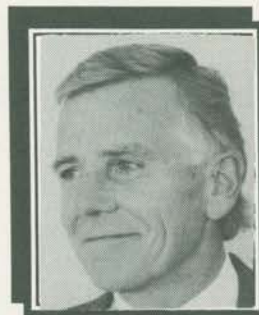
Brent Baldwin

Phil Chabot

Jeff Chapman

Al Fayad

Eric Pieteron



Finance



The following audited financial statement from the firm of Marcus & Associates (presented over the next pages) represents the report of the 1991 Finance Committee.

My thanks to the committee members for their time and efforts over this very difficult year.

Respectfully submitted,
Gene Baillargeon, Chairperson

Members:

Lorne Ford

Harry Johnston

Doug Paul

Joe Pinheiro

Donna Rupert

Helen Tomlinson

Jerry Vandergoot





Great weather, lots of golfers (181 in total), and a terrific meal were just some of the highlights at the 1991 Golf Tournament, held June 17 at the Thames Valley Golf Course.

Congratulations to this year's champions Joe Hough and Stephanie Black. We sincerely hope that all participants, win or lose, enjoyed this year's challenge.

Special thanks to all sponsors who generously donated a wide assortment of prizes. One of the main objectives of the Committee was to provide a prize for each golfer. We were pleased that this objective was met.

These events succeed primarily due to the efforts of a hard-working committee.

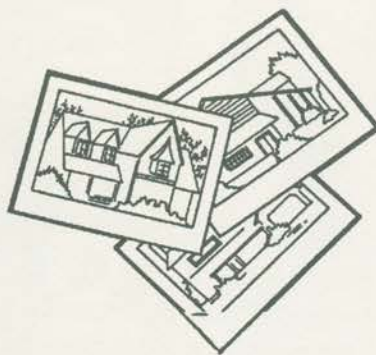
Accordingly, I would like to thank sincerely all my committee for their time and support. Special thanks also to Lyn Coupland, who guided and encouraged a novice chairperson.

Respectfully submitted,
Peter Russo, Chairperson

Members:
*John DeBrock
Rick Gleed
Arden Shantz
Joan Thompson
Eddie Troller*



Golf Tournament



The MLS Committee met on numerous occasions throughout 1991. The high attendance, input and sharing of ideas were greatly appreciated. We considered many fine appeals, dealing

with each on its own merit, and awarded as well as upheld previous decisions.

The amending of lockbox policies was accomplished, along with the revising of the map to accommodate requests to study the "L" area boundaries.

Surveys of other boards were undertaken to determine the best policy regarding the UREA clause on our listing forms.

A meeting was held with city officials to discuss our industry's concerns with sign by-laws, and the membership was advised accordingly.

We had a comment line inserted to explain why a listing was incomplete.

After joint committee meetings with the Computer Committee and many, many meetings, discussions and interviews with Moore & Sterling, we finally awarded the Multiple Listing book contract to Moore Data Management.

I would like to thank the committee members for their diligent efforts. A special thanks, too, to Betty Dore and Mary McIntyre, who guided us through a lot of difficult discussions.

Respectfully submitted,
Grant Monteith, Chairman



Members:
*Doug Cassan
Nick Dykstra
Doug Farrish
Carol Longworth
Helen Miller
Alton Ross
Bill Warder*



Membership



With the quality of committee members I had to support me and help make the many decisions, and with the assistance of Staff Liaison Tammie Daigneault, the year went by quite fast. During 1991 we held a total of 11 meetings and made the following decisions:

- 13 Class I members were admitted;
- 3 Class II members were admitted;
- One appraisal member was accepted;
- 24 company name changes and re-instatements were approved.

I would like to personally thank Tammie for her assistance and cooperation and the Committee members for their support and participation.

Respectfully submitted,
Arden Shantz, Chairperson

Members:

- Doug Farrish Lew Lint
Glen Gordon Gerry Pickett
Sandy Krueger Eddie Troller*



Orientation

During 1991 the Orientation Committee worked as two units.

The first group was responsible for the refinement and presentation of the new orientation program for the general membership, as developed by the 1990 Committee. There were 196 members who benefited from their efforts directly.

The second group has begun the process of evaluating the need and appropriate content/format for a brokers' orientation. We anticipate completion of this program and its implementation during 1992.



I would like to take this opportunity to thank the committee members and our Board Staff Liaison, Tammie Daigneault. Their combined efforts made my job very easy. I greatly appreciate their support.

Respectfully submitted,
Leigh Taylor, Chairman

Members:

Group 1

(Presenters)

- Pat Cooper
Barrie Cripps
Carmen Lamond
Penny Taylor*



Group 2

(Brokers' Orientation Development)

- Sandy Allen-Wilson
Joyce Byrne
Dan Fraleigh
Judy Robinson
Carroll Sturgeon*

Political Action



1991 was a very productive year for the committee. In April I attended PAC days in Ottawa with the President and Executive Officer where we participated in sessions and meetings with MP Tom Hockin and others to lobby in support of National Unity, entrenching property rights in the Constitution and making RRSP funds available to be used for downpayments on homes. At the provincial level, the Communications Officer and I attended PAC days in June and lobbied at Queens Park against rent

controls and subsidized housing and in favour of Sunday shopping.

On the local scene, we achieved the targeted membership level in the Board for RPAC and actively participated in efforts with the City which resulted in the defeat of lot levy increases at this time.

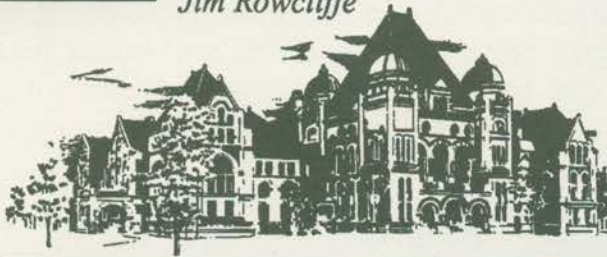
I assumed the chairmanship of the committee part way through the year and would like to thank my committee for its patience, support, enthusiasm, and savvy. It has been a privilege to serve as PAC chairperson, and I have found the experience rewarding and educational.



Respectfully submitted,
Nancy McCann, Chairperson

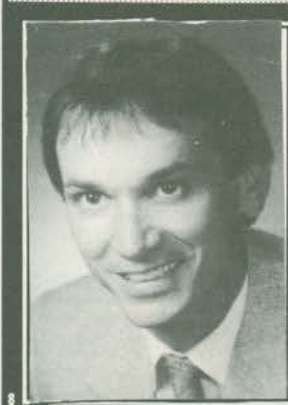
Members:

*Bob Eaton
Lois Edwards
Vito Campanale
Richard Haddow
Dennis Oliver
Jim Rowcliffe*



After 3 years of work, the 1991 Committee completed the new residential forms, which will be ready to use early in 1992. It also revised the condo and vacant land forms, using the same format as the residential forms -- these are awaiting approval by the 1992 Board of Directors. In addition, it reviewed the ICI forms done by the previous year's Committee (these will receive more consideration in the upcoming year), reviewed the UREA policy, and had new clauses, relating particularly to GST implications, inserted in the legal portion of the listing forms and the Agreement of Purchase and Sale forms. The Committee also considered numerous suggestions from the membership on how to improve forms.

Standard Forms



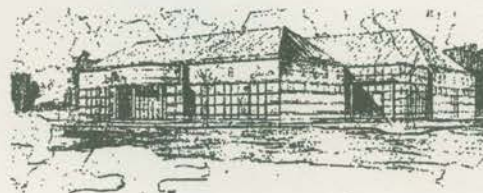
Respectfully submitted,
**John Collins,
Chairman**

Members:

*Dan Fraleigh
Don Lafreniere
Rod MacDougall
David Southen
Bruce Sworik*

Space Planning

1991 was truly a rewarding year for the Space Planning Committee. When the membership gathered on November 26 to view the ribbon cutting of the new Board building, signifying its official opening, the committee members experienced both pride that they had participated in such an outstanding project and relief that it was completed. The Committee spent many hours diligently ensuring that every detail was not just well planned and thought out, but that the best possible financial result was obtained without sacrificing quality. I am sure each committee member is a great deal more knowledgeable today on what is involved in building a commercial structure. Undertaking a project of this size as a committee function was certainly very onerous, but we hope the results as we are proud of the results as we are. As Committee Chairperson, I would like to convey a great deal of gratitude to the committee members for the two years of long hours they committed to the completion of the building. I also wish to thank the Board of Directors and the membership for the support and confidence they gave the Committee during the two years of planning and the construction of the building.



like to convey a great deal of

Respectfully submitted,
Helen Girardin, Chairperson

Members:

*John Dunbar
Steve Horvath
Ron Rossini
Warren Shantz
Jarmo Stromberg
Bruce Sworik*



Marketing Division

1991 proved to be a very busy and interesting year. As usual, we had our monthly meetings along with our membership luncheons. And, of course, 1991 brought our new building to our membership -- something we can all be proud of!



Our 1991 events included:

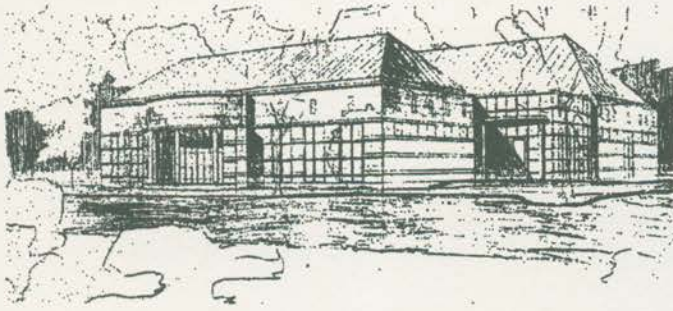
- A Luncheon and Golf day hosted by St. Thomas
- A Special Olympics Day
- Our annual Golf Day at the Thames Golf Valley Club
- Salesarama, this year at the Western Fair Grounds. Our membership turnout for this event was excellent, and the exhibitors put together some really interesting booths.
- The Children's Christmas party, this year at Wonderland Gardens. The Laff Guards provided the entertainment, and Santa made an appearance.

I would like to take this opportunity to thank my directors for their hard work during this year. Thanks also to the office reps who shared their concerns at meetings and helped to make our projects a success by selling tickets. And I would be quite remiss if I did not thank all our volunteers and committee members. This year has been a difficult but enjoyable year, and I would like to wish everyone a happy and successful 1992.

Respectfully submitted,
Harry Johnston, President



(Front row, left to right:) Rick Thyssen, 1st Vice-President; Harry Johnston, President; Judy Dennis, Past President. (Back row, from left to right) Sandy Allen-Wilson, Director; Barb Allen, Director; Don Lafreniere, 2nd Vice-President; Darlene Reidy, Director; Bruce Sworik, Director; Donna Rupert, Secretary-Treasurer; Carol Longworth, Director; Eddie Troller, Director. (Absent from photo) Jim McCormick, Director; Ron Paulger, Director.



Executive Director: E. E. Condie

Office Manager: Betty Dore

Administrative Assistant: Lyn Coupland

Administrative Secretary: Debbie Lamoreaux

Accountant: Connie Calis

Member Services Officer: Tammie Daigneault

Public Relations / Communications Officer: Melissa Hardy

Communications Assistant: Karen Stapells

MLS Coordinator: Mary McIntyre

MLS Supervisor: Colleen Daniak

MLS Clerks: Carolyn Belliveau • Brenda Dubois
Laura Hobbins • Janice Layden
Samantha Parry • Cory Ross



BOARD STAFF (Front row, from left to right) Betty Dore; Melissa Hardy; Tammie Daigneault; (Back row, from left) Connie Calis; Debbie Lamoreaux; Samantha Parry; Janice Layden; Laura Hobbins; Lyn Coupland; Colleen Daniak; Karen Stapells; Brenda Dubois; Cory Ross; Mary McIntyre; Carolyn Belliveau.
Absent from photo: E. E. Condie.

LONDON and St. Thomas Real Estate Board Staff

Notes





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