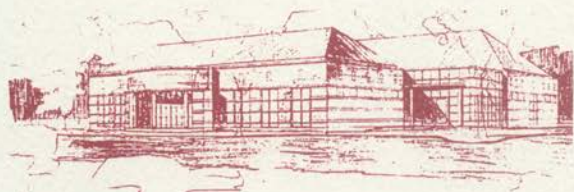


ANNUAL GENERAL REVIEW 1996



The London and St. Thomas

REAL ESTATE BOARD

The London and St. Thomas Real Estate Board
ANNUAL REVIEW
1996

TABLE OF CONTENTS

Agenda for 1997 AGM	2
Minutes of 1996 AGM	3
Boards of directors/Mission statement	7
Leadership report	12
Executive Officer's report	19
Committee reports	23
Statistics 1996	41
Financial information	43

AGENDA

1997 Annual General Meeting

Paddock Lounge, Western Fair Grounds

Thursday, March 20, 1997

Please turn pagers off for the duration of the meeting

11:30 AM - registration

12:15 PM - call to order

welcome by Vince Bogdanski, 1997 President
grace and toast to the Queen and lunch

2:00 PM - approval March 27, 1996 AGM minutes

adoption of 1996 Annual General Review

AND audited financial statement

AND appointment of Board's 1997 auditors
and solicitors

remarks of 1996 President

presentations to 1996 President and retiring directors

address of 1997 President

remarks of 1996 Marketing Division President

presentation to 1996 Marketing Division President

remarks of 1997 Marketing Division President

2:45 PM - other business

presentation of (2) Outstanding Service Awards

introduction of CREA President Thomas Bosley

presentation of CREA's 25-Year Service Certificates

introduction of OREA Past President Richard Wood

thanking of CREA President

thanking of OREA Past President Richard Wood

video presentation on MLS® Interconnectivity

3:15 PM - adjournment

Minutes

ANNUAL GENERAL MEETING

Wednesday, March 27, 1996
Paddock Lounge, Western Fair Grounds

1.) Call to Order and welcome

Following lunch, 1996 President Dennis Broome welcomed Members and called the meeting to order at 1:15 PM.

2.) Introduction of head table guests

In addition to introducing the head table and invited guests, Dennis also asked that the 1996 Marketing Division Board of Directors, Past Presidents, Honourary Members and Board staff stand to be recognized and applauded.

3.) Approval of Minutes

Prior to approval/adoption of the following items, the President pointed out that all Members, with the exception of Honourary Members, invited guests and Board staff, had the right to vote at Annual General Meetings.

MOTION

that the Minutes of the March 15, 1995 Annual General Meeting be approved.

CARRIED

4.) Adoption of 1995 Annual General Review

MOTION

that the *1995 Annual General Review*, which contains

(minutes continued)

the 1995 Committee Reports, be adopted.
CARRIED

- 5.) Adoption of audited financial statement for the year ended December 31, 1995

MOTION
that the statement of revenue and expenditures for the year ended December 31, 1995, as contained in the *1995 Annual General Review*, be adopted.
CARRIED

- 6.) Appointment of 196 Board auditors and solicitors

MOTION
that Ford, Keast Chartered Accountants continue to be the Board's auditors for 1996.
CARRIED

MOTION
that the law firms of Berg, Kennedy, Morrissey, Cleaver & Broad AND Mervin Burgard, Q.C. continue to act as the Board's solicitors for 1996.
CARRIED

- 7.) Remarks of 1995 President

Debbie Collins then gave her Past President's address (a copy of which may be found in the Minute Book).

- 8.) Presentation to 1995 President

Dennis Broome remarked that she was "judicious, well-prepared, well-spoken, disarming and charming, and that the

(minutes continued)

media loved her"! He mentioned that Debbie Collins enlivened the Presidency and thanked her for all that she had done for the Board, the Board of Directors, and the Members at large. Then, on behalf of the membership, he presented her with a plaque, scrapbook and gift (skis) for a job well done. The Members showed their appreciation and thanks to Debbie with a resounding round of applause.

9.) Presentation to 1995 retiring directors

Dennis then asked retiring Directors (as noted below) to come to the podium to receive their Directors' plaques in recognition and appreciation of their efforts during their terms of office and be applauded.

1995 Past President - Peter Hoffman

1995 Director - Pat Batticuore

(Darlene Reidy was not in attendance to receive her's)

10.) Address of 1996 President

1996 President Dennis Broome addressed the membership (a copy of which may be found in the Minute Book), subsequent to which he called upon 1995 Marketing Division President Ben Kristensen to say a few words.

11.) Remarks of the 1995 Marketing Division President

Ben Kristensen then gave his outgoing President's speech (a copy of which may be found in the Minute Book), after which he received a hearty round of applause.

12.) Presentation to 1995 Marketing Division President

Following the remarks of Ben Kristensen, 1996 Marketing

(minutes continued)

Division President Richard Haddow thanked Ben on behalf of the membership and presented him with his President's plaque and token gift of appreciation.

13.) Remarks of 1996 Marketing Division President

Following Richard Haddow's address (a copy of which may be found in the Minute Book), the Members applauded him.

14.) Other Business - Introduction of Guest Speaker

The President introduced guest speaker John Davidson, a newsman who recently became a "newsmaker . . . as he and son Jesse made their way across Ontario -- a distance of 3,300 kilometres in a million-dollar fundraiser known as Jesse's Journey".

15.) Guest Speaker - John Davidson

John then told the members about the illness of his son and their brave trek across Ontario in an endeavour, not only to raise money for the Foundation of Gene and Cell Therapy, but also to raise awareness of the many illnesses associated with genes and cells.

Following John's speech and accolades from Members, President Dennis thanked him and, as requested by Mr. Davidson, presented him with a cheque payable to the Foundation of Gene and Cell Therapy.

16.) Adjournment

As no further business was raised, the President declared the meeting adjourned at 2:28 PM.



BOARD OF DIRECTORS

Front row (from left to right) Nancy McCann, Betty Dore, Dennis Broome, Vince Bogdanski, Richard Haddow. Back row (from left to right) Costa Pouloupoulos, Gerry Weir, Glen Gordon, Ben Kristensen, Peter Hoffman, Greg Anthony, Dorothy Howell, Bill Bickley, Michael Hines, Debbie Collins. (Missing: Pat Batticuore and Carroll Sturgeon.)

1996 BOARD OF DIRECTORS

PRESIDENT

Dennis Broome

VICE-PRESIDENT

Vince Bogdanski

SECOND VICE-PRESIDENT

Nancy McCann

DIRECTORS

Greg Anthony

Pat Batticuore

Bill Bickley

Debbie Collins

Glen Gordon

Richard Haddow

Peter Hoffman

Ben Kristensen

Nancy McCann

Dorothy Howell

Costa Pouloupoulos

Carroll Sturgeon

Gerry Weir



MARKETING DIVISION BOARD OF DIRECTORS

Front row (from left to right), Janet Christensen, Dorothy Howell, Richard Haddow, Ben Kristensen, Heather Gregg. Back row (from left to right), Pat Cooper, Ian Paterson, Kay MacLean, Dennis Sonier, Doris Granger, Harry Johnston. (Missing from photo: Jack Lane, Jim Smith and Tom Dampsey.)

**1996 MARKETING DIVISION
BOARD OF DIRECTORS**

PRESIDENT

Richard Haddow

VICE-PRESIDENT

Dorothy Howell

SECOND VICE-PRESIDENT

Janet Christensen

SECRETARY TREASURER

Harry Johnston

DIRECTORS

Pat Cooper

Tom Dampsy

Doris Granger

Ben Kristensen

Jack Lane

Kay MacLean

Ian Patterson

Jim Smith

Dennis Sonier

MISSION STATEMENT

The London and St. Thomas Real Estate Board is an association of REALTORS committed to providing its members with the structure and services to ensure a high standard of business practices and ethics and to serve effectively the real estate needs of the community.



PRESIDENT'S REPORT

1996 was a year of steady growth and strong recovery for our industry. Increased consumer confidence, the lowest interest rates in 3 decades and an abundance of well-priced listings resulted in overall sales increases in London of 25.4% and 13.1% in St. Thomas. We also had an outstanding couple of record-breaking months with increases of 80.5% and 61.8% in November and December and an increase of 74.4% in March in St. Thomas. It would appear from these figures that the Recession in Southwestern Ontario is finally over.



Dennis
Broome

The last 6 years have left us not only a bit older but also a lot wiser. We are not the same industry that we were in the 80s. Technology is progressing so rapidly that it is hard just to keep up, let alone stay ahead. It seems that there are fewer of us and more work for what also seems to be fewer dollars. In a world filled with change, I am happy to report that we are looked upon as forward-thinking and innovative by other Canadian real estate boards who are actively seeking our technology. I would like to take this opportunity to point out some of the changes that occurred during my tenure as President.

Boards used to guard their information as if it were gold. We have come to realize, however, that easier access to more information is better for all REALTORS and that borders are at best self-defeating and unnecessary. In 1996 LSTREB became an Open Board on the OREA Interboard system and we also negotiated access agreements with the entire Region One (Chatham-Kent, Sarnia-Lambton and Windsor -Essex) as well as the Woodstock-Ingersoll Real Estate Board.

For 2 decades REALTORS have lobbied the provincial government for self management under a new, updated Real Estate and Business Brokers' Act. While the Act has yet to be reformed, the provincial government formally declared its intent to have our industry self-managed at the OREA Conference (which took place in our fair City of London in February 1996) as quickly as possible. From that point on negotiations proceeded at such a rapid pace that self management will be a reality in 1997. It is now time to live the dream.

Last March we launched what we believed to be the latest innovation in technology, REILink[®], software that allows the consumer to dial directly into our database and search for a select portion of information on available listings. We had only just launched this service when our Board went live on the Internet via mls.ca. The Internet and REILink[®], together with the Ontario Investment Service, on which we also have a presence, means that we can now electronically advertise our many listings worldwide at no cost to our Members or the consumers. Yes, we have come a long way in a short period of time. What seemed like Star Wars technology only a few short years ago now almost seems old hat. Yet this less than quiet revolution . . . and our ability to turn it to our advantage has had serious implications -- both short- and long-term -- for our industry. We must remain vigilant and alert to the necessity of change. We will need strong and resourceful leadership to guide us into the next millenium; based on my experience, I can state that we have that leadership potential in abundance in our Board ranks.

1996 was also a great year for community service. Thanks to the Community Relations and Golf Committees, we were able to donate over \$20,000 to Habitat for Humanity. We approached the \$40,000 mark in donations to Mission Services of London and received, along with the Windsor-Essex Real Estate Board, the national G.E. Community Service Award.

In 1996 we completed the list of objectives set out in the 1995 Strategic Planning Session. Some of those objectives, as put forward by the Board of Directors, were defeated when put to motions on the Floor. For those of us who were disappointed by the outcome of one or more of these votes, I can only say that nothing is set in stone and that change is inevitable. What meets with opposition one year is met with acceptance the next year. By-Laws and Rules & Regulations are constantly being rewritten. Tell us what you want . . . and keep telling us. If you are prepared to work for positive change, it will happen.

On a more personal note, I would like to speak as the first President in the long history of our Board to be from St. Thomas. It was not always easy to reposition the spotlight away from the City of London to the other areas of our Board. However, we made great strides in this area: announcements now appear in the St. Thomas media as well as London media, specific St. Thomas releases are issued and more charitable dollars went to Elgin County organizations in 1996 than ever before. I am proud to be from St. Thomas and I am also proud to have been able to serve the entire membership of LSTREB. Thank you for the opportunity to be your President. It was a rewarding experience for me.

In conclusion, I would like to thank my Board of Directors, the Board staff, and, most particularly, our Executive Officer Betty Dore, whose efficiency and diligence made my job as President far less arduous than it might have been. Finally, I would like to thank my partner and wife Christine Broome, without whose counsel, companionship and assistance, I could not have been able to spare the time to stand for office.

Dennis Broome
President

MARKETING DIVISION PRESIDENT'S REPORT

Being on the Marketing Division Board of Directors over the past few years and its President in 1996 has been a source of considerable pride and satisfaction to me. I have had the opportunity to work with some outstanding individuals and accomplish some significant goals. My years in office have also, however, been the source of some frustration and regret: it is difficult to be overly positive about being part of a hierarchy which is, at its core, inequitable; nor is it possible, in these times of high demand and limited human resources, to applaud a system which fails to recognize the huge talent pool available to it.



Richard Haddow

The Marketing Division was created to give salespeople something to do at the Board. Since it was assumed that they could not undertake anything really important, the Marketing Division was assigned the role of social convenor. It organized professional luncheons, children's parties and trade exhibitions and did it very well. Everyone was pleased, but the salespeople wanted more. Inch by inch, they gained it, concession by hard-won concession, until 3 out of the 14 real Board of Directors are Marketing Division Directors. This progress is something . . . but it is not enough.

Those with any knowledge of social history will discern a parallel with the women's movement. Ladies' auxiliaries were organized so that women could put their considerable energies to work in ways that didn't impact on men's business. However, the women were so successful at running soup kitchens, holding charity bazaars, raising money for museums and the arts and supporting church work with their endeavours that it

naturally occurred to them to want more power, more responsibility. Men resisted. Women persisted. Now women occupy positions of great power in all walks of life and it no longer occurs to the majority of us to wonder whether this is a good thing or not.

What about salespeople? The real estate industry has changed. The standards have risen and, with them, the calibre of those entering the profession. Salespeople these days are highly trained, well-educated professionals. Many of them operate as independent contractors or once held Broker status themselves; they are eminently qualified to make prudent business decisions. Among our ranks are former lawyers, teachers and account executives who could put their talents and expertise to work for the Board.

The only way that salespeople will secure valid and meaningful representation on the Board of Directors will be through an extension of the franchise to include all Members, including the 1,336 salespeople who pay their dues month after month, year after year, who support this Board and who are represented by three out of fourteen directors and have three votes on the Floor, as opposed to the 218 brokers, represented by eleven directors and possessed of 218 votes.

Yes, we organized some successful social events in 1996. We succeeded in bringing Financial Post Editor Diane Francis to London in April to speak to the community at large in the Convention Centre; we enjoyed a great golf day at Union; the election meeting in November went well; and the Children's Christmas Party met with the usual uproarious approval of the Board's assorted small fry. We are proud of our successes but, in the case of 1996, we are more mindful of the defeat, on June 25, 1996, of a proposal put forward after a year of research, debate and consultation by the Voting Structure Task Force.

The proposed changes were, comparatively speaking, very conservative. It was not one Member/one vote, as the Marketing Division would have preferred, and it was safeguarded by a system of checks and balances put in place to reassure Brokers that their authority and power would be retained. Had it been adopted, only three things would have changed: salespeople could vote for Directors; three more salespeople could (not necessarily would, but could) be on the Board of Directors; and a salesperson might be elected President.

I can assure you that the Marketing Division Board of Directors was not exactly overwhelmed by how much of a voice salespeople would gain from this compromise, but, realizing that compromise was the best, indeed, the only way to resolve such an emotional issue, we supported the recommendations of the task force. Unfortunately, the Firm Members were not willing to yield even this small amount of ground.

The times ahead will be challenging for organized real estate. Technology is driving the industry and, unless we start pulling together as a team, not as Firm Members versus Salespeople, but as REALTORS . . . unless we must use all our available resources, we may not rise to the challenge quickly enough to respond to changes within our industry. We have to start trusting one another, acknowledging each other's talents and abilities for what they truly are and working together for the good of all.

In conclusion, I would like to thank a great group of Directors for their energy, dedication and savvy. I would also like to thank our exuberant and ever-helpful staff liaison, Heather Gregg as well as the rest of the Board staff for all their assistance. A final thanks to my wife Helen: during a year which illness made rough for her, she still managed to find enough strength to lend me some.

no "Us" and "Them", there will only be "Them" because we would have destroyed "Us" entirely. It doesn't have to happen. It's up to all of us to ensure it doesn't.

In conclusion, I would like to thank a great group of Directors for their energy, dedication and savvy. I would also like to thank our exuberant and ever-helpful staff liaison, Heather Gregg as well as the rest of the Board staff for all their assistance. A final thanks to my wife Helen: during a year which illness made rough for her, she still managed to find enough strength to lend me some.

Richard Haddow
President, Marketing Division

EXECUTIVE OFFICER'S REPORT

If I were asked to characterize 1996, I would have to say that it was a year during which walls came down. Of course, many of those walls have been crumbling for years and required little more than a stiff kick to fell them, but this past year has truly been unprecedented for the removal of barriers, the elimination of roadblocks, the opening up of previously hostile or unexplored territory, cross-border everything.



E.L. (Betty)
Dore

In 1995 we decided to become an Open Board on the OREA Interboard system; this came into effect in 1996. We have negotiated or are in the process of negotiating access agreements with our neighbour boards; other Boards from farther away have initiated discussions with us regarding access. And we are by no means alone. To date there are 32 Open Ontario Boards on the Interboard system; only 16 remain closed. This means that in the not too distant future you should be able to access most, if not all MLS® information in Ontario.

With the removal of barriers comes greater cooperation. Technological development bears a high pricetag and some of the smaller Boards in particular have difficulty paying the piper for the technology they need. Consequently, a number of nearby Boards have approached LSTREB, requesting a quote on providing MLS service to their Members. The Membership Plus Task Force, struck this year to attract new Members, enhance the Board's ability to retain its present Members and offer services to other Boards in order to keep costs down and maximize available resources, did the math and a mutually beneficial proposal has been advanced to the interested parties. We see this as the beginning of better, closer relationships with

our neighbours and true partnerships. Of course, we are not the first "host Board" in Ontario. The Toronto Real Estate Board is currently providing MLS® service to the Durham, Mississauga, Brampton and York Boards; Barrie is providing it to Midland-Penetang, Collingwood and Orillia; and the Renfrew Board receives its MLS® service from the Ottawa-Carleton Board. Piggybacking service is the wave of the future . . . and, as usual with the future, that means it's now.

Another barricade breached in 1996 was that which, apparently at least, safeguarded MLS® from the public. Through REILink® and, later, the Internet, we provided public access to MLS® data. Granted, a wall still stands -- the wall behind which the bulk of the data lies. Only that information which might appear in a newspaper advertisement of a property is accessible electronically and this will always remain the case. However, from the perspective of the public, a concession has been made, one that can only work to the advantage of REALTORS in that it bespeaks an openness which, in turn, begets consumer trust and confidence. The consumers' ability to "Windows®-shop" for a home in advance of meeting with a REALTOR should also serve to transform your role: the wired client will come to you with a firm and probably far more realistic idea of what he or she wants and can afford, perhaps even a shortlist. The REALTOR of the future will spend less time behind the wheel of the car, chauffeuring uncertain clients around, than he or she will behind the desk, closing deals.

Despite all the dust kicked up by tumbling walls, we continue not only to improve but also to add services. We are one of the few, if not the only Board to date in the country to provide its Members with on-site Home Page development. We have also implemented (and loaded for bear!) a fax-on-demand system called REALFax which provides you with 24-hour access to just about any document you'd ever need, from MLS® forms to articles for your newsletter to the dailies to information about

everything from GST on real estate to the New Home Warranty to stats. The OIS is available to Members through the Board, computer courses continue to be offered on an ongoing basis through our highly successful partnership with Productivity Point and we now offer credit card and Interac payment for supplies, courses, etc. as an option. Most recently we have set up a system whereby new salespeople may register by appointment rather than on a walk-in basis. This ensures that they receive the time and personal attention they deserve and need rather than have to work around staff's often very chock-full schedules.

Part of my job is ongoing education and professional development, as relates to association management and organized real estate. This year I received my CAE designation from the Canadian Society of Association Executives after a sometimes arduous two-year course of study. What I learned from CSAE was how to run an association better; what I gained from the conferences I attended on your behalf was a perspective which I will share with you. Think of me as a scout who shimmies up a very tall tree in order to get a view of what lies beyond our little valley. A scout is on the lookout for danger, whether it be an enemy encampment or a natural disaster waiting to happen. What I have to report to you is change, danger, challenge and possibly even prosperity if we can manage to stay on our toes and keep our wits about us.

I have something else to share with you: ignoring what I have to report will not keep you safe; it will not protect our little valley from harm. Because, you see, the walls are all coming down and that means we stand or fall based, not on our battlements and earthworks and moats, but on ingenuity, flexibility and strength.

E.L. (Betty) Dore, CIM, CAE
Executive Officer



BOARD STAFF

Front row (left to right): Connie Calis, Betty Dore, Lyn Coupland, Brenda Dubois. Back row (left to right): Janice Kiernan, Gwen Bodaly, Liana McLachlan, Mary McIntyre, Heather Gregg, Colleen Daniak; Cory Coughtrey. Missing: Janice Freeman;; Melissa Hardy-Trevenna; Tammie Daigneault; Wendy Murray.

COMMITTEE REPORTS

ARBITRATION

The mandate of the Arbitration Committee is to arbitrate disputes over commission entitlement between Firm Members. While there were five or six requests for Claim Forms and Procedural Pamphlets, there were only three Claims actually processed during 1996, two of which were settled at Conciliation Meetings.

During the early part of the year, the Committee met to review and compare OREA's recommended by-law on Arbitration to our by-law on the subject. A new version of the by-law, revised to bring it as much in line with OREA's by-law as possible, was ratified on the Floor.

CHAIRMAN - LEW LINT

Ron Rossini

Larry Wilcocks

Paula Bodkin

David Roby

Bill Hyman

Bernie Sheridan

Grant Monteith

Dick Nywening

Ron Falck

Staff Liaison - Lyn Coupland

BY-LAW

The mandate of the By-Law Committee is to conduct an ongoing review and, when deemed necessary, revision of the By-Law.

This year the By-Law Committee dealt with changes to Arbitration and Appeal, Professional Standards and Discipline.

In addition, they effected changes to orientation, exempting principal brokers who had attended an Orientation Session within the past 24 months from that obligation, dealt with non-licensed access to MLS® (i.e., by Appraisal Members, etc.) and reviewed proposed changes to the the By-Law as regarded the Board's voting structure.

CHAIRMAN - VINCE BOGDANSKI

Marje Crowder
Douglas Paul
Mary Koziol
Lew Lint
Bill Bickley
Dorothy Howell

Staff Liaison: Betty Dore and Lyn Coupland

COMMUNITY RELATIONS

The mandate of the Community Relations Committee is to raise the profile of the Board within the community and to enhance the image of REALTORS through promotional vehicles and community service.

In 1996 the Community Relations Committee continued to provide focussed support in the area of shelter, benefitting Mission Services of London through 50/50 draws, a Christmas donation of \$1,000, a clothing drive and the *Homes for Hope*® project. Since this project's inception in 1992, the Board has donated \$39,810.00 to Mission Services, the bulk of which has been raised through the sale of these colorful pins. Violence Against Women Services Elgin County was given \$5,200 by the OREA Foundation in recognition of LSTREB's ongoing community service and \$500 as a Christmas donation. Donations of money and time were also made to the Stevenson Children's Camp; the pre-season cleanup of the camp by the REALTOR Clean Team has become an annual event. In

addition, the Committee designated a new principal beneficiary, Women's Community House, to which (and with the assistance of the OREA Foundation) LSTREB was able to give a little over \$1,800 in 1996; the shelter shared the proceeds of the Board's two clothing drives with Mission Services.

In addition, the Board made donations or participated in fundraising for the London Area Food Bank, Fanshawe Pioneer Village, Crimestoppers and the United Way Campaigns of London and St. Thomas, Hospice of London, E.A.G.L.E Awards Program and Junior Achievement. The Board also participated in the Corporate Challenge, which raises money for a number of charitable associations.

Doug Chateaufneuf was awarded the Community Service Award for his work on behalf of the Habitat for Humanity, which culminated this summer in a donation of \$21,424.34 to that organization. This sum was raised over the past three years through such events as the Silent Auction at Salesarama and, in particular, by the Board's annual golf tournament. The drive was so successful that the Directors have approved a second two-year drive for Habitat, commencing in 1997.

The Committee also hosted a well-attended Members' Open House to kick off Ontario Home Week. In addition, the Committee supported the Grand Theatre and Orchestra London with corporate donations of \$250 apiece.

Along with the Windsor-Essex Real Estate Board, LSTREB received the G.E. Community Service Award in recognition of its ongoing commitment to the communities in which our Members live and work.

CHAIRMAN - Janet Christensen
Barbara Zurek
Jeff Carpenter
Sharon McIntosh

Shari Fulmer
Pat Broome
Susan Nickle
Glen Gordon

Staff Liaison: Melissa Hardy-Trevenna

COMPUTER

The mandate of the Computer Committee is to monitor the Board's MLS® computer programs and their usage, recommend to the Directors any additions, deletions or changes deemed appropriate and to make recommendations regarding hardware, software and computer education.

The Committee hosted its annual computer fair in May. There were 12 exhibitors and the fair was well attended. 3 Buddy User Sessions were conducted to expose the Membership to various real-estate related software on the market. In addition, a new version of WinIDS was introduced -- 2.5 -- and a number of changes or additions made to the online system:

- Menu 26: *Daily MLS® listings* summarizes new listings.
- Menu 96: *Assign your real-mail* allows Members to assign online e-mail (real-mail to differentiate it from e-mail sent on the Internet) to another Member.
- Menu 43: *Reverse Prospects* matches listings to other Members' prospects.
- Menu 58: *Sales Statistics*
- Menu 8: *Address Inquiry* provides an Active, Sold or Expired history on an address.
- Menu 45: *REILink e-mail* enables Members to look up name codes and send a message to an individual or a group.

CHAIRMAN - JUDY DENNIS

Ken Harper
Len Fowler

Stephen Ord
Eleanor Ovtsherenko
Mary Kay Klaus
Jack Lane
Chuck Ronson

Staff Liaison: Tammie Daigneault

DISCIPLINE

The mandate of the Discipline Committee is to act as judge and jury in the case of alleged violations of the Code of Ethics, Standards of Business Practise, MLS® Rules & Regulations and/or the By-Law and, based on the evidence presented at a hearing, to render a finding of guilty or innocent. The Discipline Committee deals with complaints referred from the Professional Standards Committees. If a Respondent is found guilty, the Disciplinary Panel imposes appropriate disciplinary action.

Twelve hearings were held during 1996. Four of these resulted in the Respondents being found not guilty, while the verdict in the other eight cases was guilty. Penalties imposed during 1996 ranged from a reprimand to a \$1,000 fine, with the respondent also being ordered to successfully complete an educational session at his own expense. Summaries of completed cases are published out on a regular basis in the Board's quarterly news publication, *Across the Board*.

CHAIRMAN - JEFF CHAPMAN

Pat Cooper
Warren Shantz
Joe Melnick
Tom Dampsy
John Sandor
Lois Edwards
Joe Halford
Bing Anrep

Betty Mallette
Karl Hobyan
Staff Liaison: Lyn Coupland

EDUCATION

The Education Committee's mandate is to facilitate professional development through seminars and resource acquisition. The Education Committee is also responsible for Home Buying Seminars conducted by the Board.

The Committee organized the second annual Professional Development Week from April 22 - 26. Topics included:

- Purchasing a Personal Computer
- GE Capital Mortgage Insurance
- Making Sense out of the Agency Maze
- Internet Training
- Inspecting a House
- Attitude Control Centre

The week was a huge success with over 400 attendees and was well received, both by our own Members and those of neighbouring Boards.

The Committee held three First-time Homebuyer Seminars at the Board. Towards the end of the year the Committee expanded the panel to include an RRSP specialist/financial advisor to raise public awareness of the ability on the part of first-time buyers to use RRSP funds towards the purchase of a home and how that works.

Two objectives were assigned to the Education Committee as a result of the Strategic Plan. One was to accelerate the conversion of the Members to a computer-based Board where electronic access is the prevailing system and the second was to expand educational programs to include local and/or current

issues (e.g., surfing the Internet) at a bargain basement price and to introduce computer skills courses and clinics on a trial basis, including topics such as desktop publishing, Windows, Top Producer and basic computer skills.

As a result many computer courses have been offered to the Members through a partnership established with a local computer training company, Productivity Point, including two levels each of Windows 3.1, Windows 95, Word 6.0, Internet training, Top Producer, Excel 5.0 and WordPerfect 6.1. In addition, after negotiation, Productivity Point agreed to continue offering these courses into 1997 at 1995 prices.

In total, the Committee organized 20 seminars in 1996:

- 3 PDI seminars;
- 1 OREA licensing course;
- 10 free seminars; and
- 3 Home Buyers' Seminars.

The 1996 Committee also did the groundwork for three new seminars, on the following issues:

- the environment;
- home inspection; and
- a new CMHC seminar, to be premiered early in 1997, entitled "How to Red Flag Problems".

CHAIRPERSON - LESSLEY HARFORD

Ian Paterson
Pat Pope
Donna Czach
June Harris
Michael Hines
Paul Gomes

Staff Liaison: Liana McLachlan

EXECUTIVE

The mandate of the Executive Committee is to act on urgent matters on behalf of the Board of Directors; to examine and review the policies of the Board and recommend to the Directors any additions, deletions or changes; to conduct the performance review of the Executive Officer and make recommendations for approval; and to perform such other duties as the Directors may delegate.

CHAIRMAN - DENNIS BROOME

Vince Bogdanski

Gerry Weir

Nancy McCann

Richard Haddow

Staff Liaison: Betty Dore

FINANCE

Please refer to page 43 for Finance Committee Report.

IC&I

The mandate of the IC&I Committee is to investigate and recommend ways of assisting REALTORS specializing in the sale of industrial, commercial and investment properties in terms of professional development and in the actual conducting of their business.

With the assistance of Board solicitor Merv Burgard, who put together forms which were then approved by the Ministry, the Committee implemented a mechanism allowing Members to register liens on their commissions. At the Committee's request, Mr. Burgard conducted a free information session for Members on how and when to register such a lien.

In addition, the Committee continued to facilitate the OIS project, permitting suitable listings to be submitted at no cost.

The OIS is presently putting in place a mechanism whereby Members can enter their listings directly online from their Board office. The Committee is also working on a system whereby photographs may be electronically transferred to the OIS office in Toronto.

CHAIRMAN - KEVIN MacDOUGALL

Greg Anthony
Michael Morrish
Dennis Sonier
Randy Hanke
Richard Haddow
Phil Nau

Staff Liaison: Tammie Daigneault

MEMBER SERVICES

The mandate of the Member Services Committee is to investigate ways of making Board membership value-added through volume discounts or any other means at its disposal.

In 1996 the Committee reviewed the practise of recognizing long-term Membership in the Board and established a corporate tier program, beginning in 1997, whereby Members who with thirty-five, forty and forty-five years of services could choose between four to five items in a predetermined price range. Further, it was determined that Members with fifty or more years of service would be recognized both with a plaque and a gift certificate for dinner. Members will be contacted by the Staff Liaison to arrange a time to make their selections.

In addition, the Committee negotiated and arranged for the Health and Dental Plan with Manulife to be renewed. This item will be reviewed again in early 1997 with a view to obtaining the best coverage at the best possible price for the Members.

The Committee also reviewed submissions for the annual

LSTREB scholarship of \$750 each, which in 1996 was awarded to Duncan Viragos, son of George Viragos, and Claire Hirst, daughter of Beryl Hirst.

The last objective struck in the Strategic Plan assigned to the Member Services Committee was fulfilled in 1996: to investigate programs like Fax-on-Demand so that Members can get what they need right away, saving the Board paper and print costs, with the additional benefit that Members are not inundated with unwanted paper. The Committee investigated and recommended to the Board of Directors that a 24-hour, 7-day-a-week Fax-on-Demand system be put in place. This system is now referred to as REALFax and presently holds 225 documents, ranging from the dailies and notice sheets to publications and stats and all MLS forms. It is updated as required.

CHAIRMAN - SANDY KRUEGER

Lorraine Cornelius

Doug Cassan

Carol Barnard

Jill Fowler

Kay MacLean

Ron Kipp

Staff Liaisons: Liana McLachlan

MLS®

The mandate of the MLS® Committee is to oversee the operation of the MLS® and the business arising from it, such as negotiating appropriate contracts and dealing with appeals and fines.

In addition to working on the catalogue contract and renewing with Moore, the MLS® Committee developed alternate methods of delivering the dailies with a view towards eliminating the published dailies. Although a motion to discontinue the

published dailies was defeated at the Floor, the alternative delivery mechanisms devised by the Committee were, in fact, implemented. These include through Menu 26 in Classic Vandat, WinIDS 2.5 and the Board's fax-on-demand system, REALFax. The Committee also recommended making the catalogue optional; the motion to do this was defeated at the Floor.

In addition, the Committee reviewed and recommended the adoption of CREA's Solicitation Guidelines, which the Directors have now made policy, and revised the map to include new streets, subdivisions and the annexed areas.

CHAIRMAN - NANCY McCANN

Helen Miller

Helen Tomlinson

Alton Ross

Jim Lystar

Dorothy Howell

Donna Rupert

Staff Liaison: Tammie Daigneault

NOMINATION

The Nomination Committee meets for the purpose of developing a slate of officers upon which the Firm Members might vote, as it did in the Autumn of 1996.

CHAIRMAN - PETER HOFFMAN

Darlene Reidy

Dennis Broome

Joe Pinheiro

Bill Warder

Dennis Oliver

Jerry Vandergoot

Tony Sonderup

Staff Liaison: Betty Dore

ORIENTATION

The function of this Committee is to develop and deliver a comprehensive orientation to new members. At Orientation, new members are introduced to the policies and procedures of the Board and to a review of the CREA Code of Ethics and Standards of Business Practise. Therefore the Committee meets relatively little. Most of its work is done hands-on in the sessions themselves.

66 Members attended the six orientation sessions held in 1996. The Committee introduced a visual demonstration of the online menu, WinIDs and the Internet (as time permitted) into the session. These were well-received by the Members as was the tour of the building, re-introduced this year. The Committee also made some recommendations for the future, which included the creation of better visual aids and investigating the feasibility of hiring a trainer specifically to handle orientation.

CHAIRMAN - COSTA POULOPOULOS

Darlene Reidy
Scot Kenny
Jim Smith
George Genge

Staff Liaisons: Liana McLachlan

POLITICAL ACTION

The mandate of the Political Action Committee is to maintain an active and open channel of grass roots communciation with our MPs and MPPs concerning REALTOR and REALTOR-impacting issues. These are defined as issues that have far-reaching impact on members of organized real estate and which have significant negative or positive impact on a sizeable group of members. PAC must also seek to enhance awareness of and build support for OREA and CREA positions within the Board and the community. Working in tandem

with OREA PAC and CREA PAC, it is empowered to advise the Directors on political affairs on the provincial and national level. On the local level it may advise the Directors concerning municipal matters.

The Committee regularly hears reports from Members of the Committee who sit on the London Housing Advisory Council, HALT (Hold All London Taxes) and the London Home Builders Association. The activities of the St. Thomas City Council are also reported on.

This year the Committee continued the National Debt Reduction Campaign begun in 1995 and strove to drive home the message to area politicians at the local, provincial and federal level that cutting expenditures was preferable to raising taxes.

PAC Chair Debbie Collins attended CREA PAC Days, accompanied by Board staff. Later, Members of the Committee held constituency meetings with MPs to discuss CREA's issues — Amendments to the Interest Rates Act, the Home Buyers' Plan and harmonization of GST and PST. A few weeks later Nancy McCann attended OREA PAC Days in Debbie's stead. The issues discussed with MPPs included the continuing need for REBBA Reform, support for the current government's position on rent controls and, as with CREA, the harmonization of GST and PST. Unlike CREA PAC, which dealt with harmonization as a *fait accompli*, OREA PAC adamantly opposes harmonization.

Towards the end of the year, Debbie Collins tendered her resignation because of an employment change and Nancy McCann took over as 1996 PAC Chair.

CHAIR - DEBBIE COLLINS and NANCY McCANN

Mike Carson

Bob Eaton

Richard Thyssen

Marg Petznick
Peter Hoffman
Dennis Sonier
Tony Bruinink
Vince Bogdanski

Staff Liaison: Melissa Hardy-Trevenna

PROFESSIONAL STANDARDS 1 & 2

The mandate of the Professional Standards Committees is to uphold the lofty standards by which all REALTORS agree to abide when they join organized real estate. The committees are empowered to examine and investigate the conduct of any member of the Board against four objective standards. These are the:

- CREA Code of Ethics;
- CREA Standards of Business Practice;
- LSTREB By-Law; and
- MLS® and other LSTREB Rules, Regs and Policies.

Upon receipt of a complaint, the member is copied with the complaint, a letter and a booklet which explains the process in detail.

1996 saw adoption of OREA's recommended *Model 3*, whereby, once a Researcher has been appointed, members may be interviewed, if they wish, provided they sign a Member's Consent Form. Under this new model, the Researcher's role has changed to that of information gatherer and presenter. He or she no longer:

- makes recommendations on whether an Allegation Statement should be issued against a member;
- determines what Charge or Charges should be laid;
- has no vote concerning the case under investigation.

Since its implementation approximately 90% of the members under investigation have opted to be interviewed by the Researcher.

PROFESSIONAL STANDARDS 1
CHAIRMAN - SANDY McGREGOR

Linda Wilson
Harry Mohaupt
Donna Koenen
John Simpson
Steven Horvath
Peter Loyens

PROFESSIONAL STANDARDS 2
CHAIRMAN - DOUG WORKMAN

Eila Milne
Jennifer Murray
Dave Bowring
Donna Czack
Ruth Ann Drozd
Scott Purdy

Staff Liaison - Lyn Coupland

TASK FORCE REPORTS

COMMITTEE 2,000+

The mandate for Committee 2,000+ is to investigate and recommend ways of expanding and enhancing MLS® to the benefit of both REALTORS and their clients and customers.

1996 was the year of electronic access. REILink®, software developed by the Board which enables consumers to access and search a filtered database for area homes, was launched early in the year.

Later in the year, the Board's database also became available through MLS® Online, CREA's website, a Board home page designed and REALTOR home page development undertaken by staff. The groundwork for an Intranet was also laid.

CHAIRMAN - BILL WARDER

Pat Batticuore
Debbie Collins
Rick Odegaard
Len Fowler
Harry Johnston
Darlene Reidy

Staff Liaisons: Betty Dore, Melissa Hardy-Trevenna and Tammie Daigneault

MEMBERSHIP PLUS TASK FORCE

Struck in 1996, the mandate of the Membership Plus Task Force is to offset Membership decline by attracting new Members to the Board and increasing revenue by offering other Boards services.

Thus far the Task Force has put together a proposal to offer MLS® service to a number of Boards requesting the same and sought to increase the number of Appraisal Members through a letter campaign.

CHAIRMAN - PAT BATTICUORE

Rose Leroux
Judy Dennis
Richard Thyssen
Peter Hoffman

Staff Liaisons: Betty Dore and Melissa Hardy-Trevenna

VOTING STRUCTURE TASK FORCE

The mandate of the Voting Structure Task Force was to develop a challenges/opportunities strategy regarding an alternate voting structure and the merging of the two Boards of Directors in order to initiate increased communication links that further camaraderie and a positive relationship between the Board and its Members.

After a year's research and deliberation, the Task Force presented an alternate Voting Structure to the Firm Members at their June 25, 1996 meeting. The proposal was defeated on the floor and the task force disbanded.

CHAIR - CARROLL STURGEON

Jack Lane

Lew Lint

Greg Anthony

Bob Lauckner

Bernie Sheridan

Bruce Sworik

Staff Liaison: Melissa Hardy-Trevenna

SPECIAL EVENTS

CHRISTMAS PARTY

The mandate of the Christmas Party Committee is to organize the Christmas gala held annually for Board members.

This year's party was held at the London Convention Centre on December 6, 1996 and featured the Music Express Video Road Show. There were 460 attendees.

CHAIRMAN - CAROL BARNARD

Doris Granger

Joe Melnick

Stella Galan

David Wood
Jack Barrett

Staff Liaison: Wendy Murray

GOLF

The Golf Committee held a very successful tournament on June 10, 1996 at the Fanshawe Golf and Country Club. Through ticket sales and hole sponsorships the tournament raised approximately \$4,500 for its designated beneficiary, Habitat for Humanity London.

CHAIRMAN - JOHN DeBLOCK

Stella Galan
Jack Barrett
Carl Vandergoot
Linda Wilson
Scot Kenny
Gord Vandervooren

Staff Liaison: Wendy Murray

SLO-PITCH

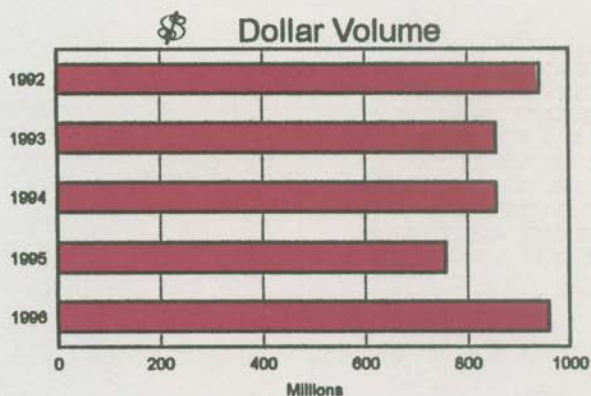
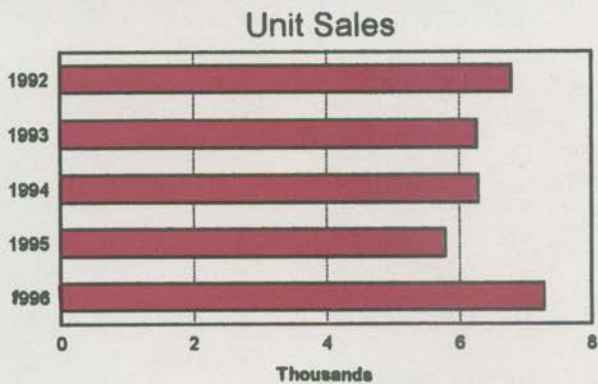
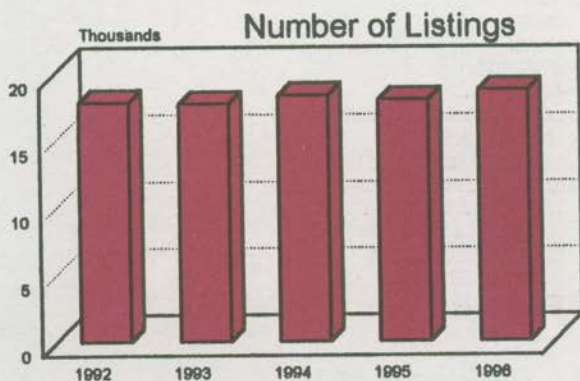
The Slo-Pitch Committee was established to organize an annual ball tournament for Board members. This year's event took place on August 24, 1996 at Dreamers. 10 teams played and Realty World Landex took first place while Century 21 First came in second.

CHAIRMAN - SCOT KENNY

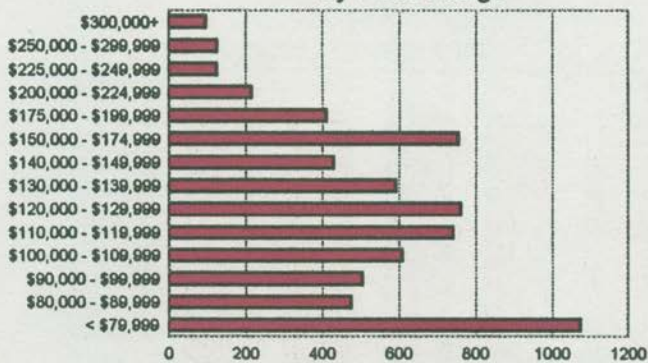
Carl Dorgeloos
Bob Eaton
Bob Tyrrell
Harry Johnston

Staff Liaison: Wendy Murray

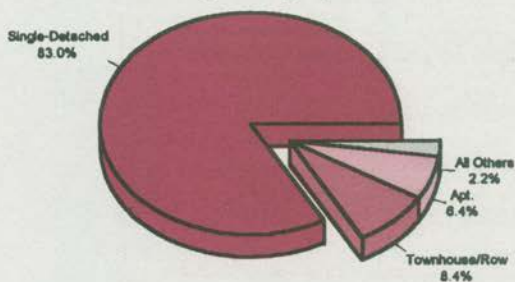
Statistical Graphs 1996



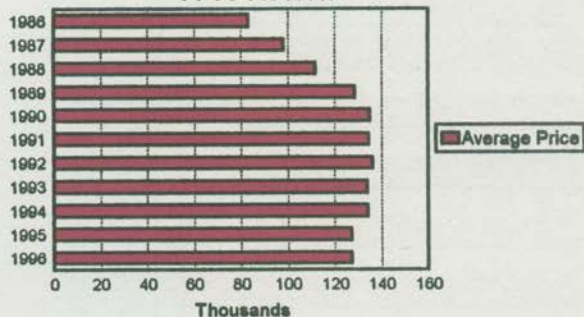
MLS Residential Sales by Price Range



MLS Residential Sales By Category



Over the Years! A 10 Year Review



Finance Committee Report

The mandate of the Finance Committee is to review regularly and report to the Directors on the financial position of the Board. It approves all accounts for payment and presents any recommendations to the Directors relating to finances, including, but not limited to, needed changes in the financial operation of the Board and/or fees paid by the Members; the management of all assets and investments of the Board; and the annual revenue and expense budget, including adjustments.

In 1996 the Finance Committee also implemented payment by Interac, Visa and MasterCard, tendered and negotiated a new photography contract for MLS[®] photographs and revised the payment schedule for OREA, CREA and Board dues to spread out the cost of Membership in organized real estate and render it less onerous.

The Auditor's Report which follows completes the Finance Committee's Report for 1996.

CHAIRMAN - GERRY WEIR

Dennis Broome

Harry Johnston

Tony Sonderup

Pat Batticuore

Richard Haddow

Joe Pinheiro

Staff Liaisons: Betty Dore and Connie Calis

**THE LONDON AND ST. THOMAS
REAL ESTATE BOARD**

Financial Statements

Year ended December 31, 1996

AUDITORS' REPORT

To the Members of
The London and St. Thomas Real Estate Board

We have audited the balance sheet of The London and St. Thomas Real Estate Board as at December 31, 1996 and the statements of revenue and expenditures, surplus and changes in cash resources for the year then ended. These financial statements are the responsibility of 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 The London and St. Thomas Real Estate Board as at December 31, 1996 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

January 14, 1997

Ford Keast
Chartered Accountants

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Balance Sheet as at December 31, 1996

	1996	1995
ASSETS		
CURRENT		
Cash	\$ 36,112	\$ 12,837
Accounts receivable	110,968	109,684
Inventory of resale supplies	25,573	42,128
Prepaid expenses	14,504	18,428
	<u>187,157</u>	<u>183,077</u>
KEY TRUST FUND	<u>99,600</u>	<u>96,668</u>
INVESTMENTS (Note 2)		
General reserve	660,596	557,214
Computer reserve	66,411	64,298
Habitat for Humanity reserve	1,265	16,788
Government debt reduction reserve	15,954	7,652
	<u>744,226</u>	<u>645,952</u>
CAPITAL ASSETS		
Property and development costs (Note 3)	3,521,004	3,521,004
Furniture and equipment	2	2
	<u>3,521,006</u>	<u>3,521,006</u>
	<u>\$ 4,551,989</u>	<u>\$ 4,446,703</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Balance Sheet as at December 31, 1996

	1996	1995
LIABILITIES AND SURPLUS		
CURRENT		
Cheques written in excess of funds on hand	\$ -	\$ 58,078
Accounts payable and accruals	104,848	63,633
Habitat for Humanity	1,265	16,788
	<u>106,113</u>	<u>138,499</u>
KEY TRUST FUND LIABILITY	<u>99,600</u>	<u>96,668</u>
DEMAND MORTGAGE PAYABLE (Note 4)	<u>404,251</u>	<u>505,733</u>
Surplus		
Unappropriated surplus	82,309	61,366
Appropriated surplus	3,859,716	3,644,437
	<u>3,942,025</u>	<u>3,705,803</u>
	<u>\$ 4,551,989</u>	<u>\$ 4,446,703</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Statement of Surplus

Year ended December 31, 1996

	Unappropriated Surplus		Appropriated Surplus		Total			
			1996	1995	1996	1995		
SURPLUS, Beginning of year	\$	61,366	\$	3,644,437	\$	3,705,803	\$	3,564,750
Add (deduct)								
Net revenue over expenditures for the year		180,721		55,501		236,222		141,053
Transfer of surplus		(159,778)		159,778		-		-
SURPLUS, End of year	\$	82,309	\$	3,859,716	\$	3,942,025	\$	3,705,803

APPROPRIATED SURPLUS COMPRISED AS FOLLOWS:

338-358 Commissioners Rd costs	\$	3,521,006	\$	3,521,006
General reserve investments		660,596		557,214
Government debt reduction reserve investments		15,954		7,652
Computer reserve investments		66,411		64,298
		4,263,967		4,150,170
Deduct:				
Mortgage payable		404,251		505,733
	\$	3,859,716	\$	3,644,437

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Statement of Revenue and Expenditures

Year ended December 31, 1996

	1996	1995
REVENUE		
Monthly Assessments	\$ 1,743,596	\$ 1,770,260
Initiation fees	166,000	131,500
Annual dues	72,326	78,636
M.L.S. charges	18,204	22,354
Interest	19,143	19,252
Member charges	3,401	5,719
	<u>2,022,670</u>	<u>2,027,721</u>
EXPENDITURES		
M.L.S. - Schedule 1	768,189	793,785
Committees - Schedule 2	88,477	138,044
Professional development - Schedule 2	73,368	109,521
Administration - Schedule 2	540,924	540,717
Operations - Schedule 3	210,456	180,057
Occupancy - Schedule 4	160,535	176,022
	<u>1,841,949</u>	<u>1,938,146</u>
NET REVENUE ON GENERAL OPERATIONS	180,721	89,575
OTHER INCOME		
Interest earned on reserves	55,501	51,478
NET REVENUE FOR THE YEAR	<u>\$ 236,222</u>	<u>\$ 141,053</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Statement of Changes in Cash Resources

Year ended December 31, 1996

	1996	1995
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net revenue for the year	\$ 236,222	\$ 141,053
Change in non-cash working capital items related to operations		
Accounts receivable	(1,284)	(3,774)
Prepaid expenses & inventory	20,479	(17,214)
Accounts payable & accruals	41,215	(41,979)
	60,410	(62,967)
	296,632	78,086
FINANCING ACTIVITIES		
Mortgage principal repayments	(101,482)	(87,434)
INCREASE (DECREASE) IN CASH DURING THE YEAR	195,150	(9,348)
Cash, beginning of year	583,923	593,271
CASH, END OF YEAR	\$ 779,073	\$ 583,923
REPRESENTED BY:		
Cash	\$ 36,112	\$ 12,837
Cheques written in excess of funds on hand	-	(58,078)
General reserve investments	660,596	557,214
Computer reserve investments	66,411	64,298
Government debt reduction investments	15,954	7,652
	\$ 779,073	\$ 583,923

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Schedule of Expenditures

Year ended December 31, 1996

	1996	1995
M.L.S.		Schedule 1
Information		
Catalogues and dailies	\$ 457,281	\$ 477,836
Photographer	152,920	145,857
	<u>610,201</u>	<u>623,693</u>
Services		
Delivery	70,762	74,865
Land registry	600	852
	<u>71,362</u>	<u>75,717</u>
Computer		
Hardware	12,368	13,118
Repairs, maintenance and service	19,028	17,002
Software and support service	21,751	29,969
Supplies	2,714	2,703
Telephone	18,021	19,436
	<u>73,882</u>	<u>82,228</u>
General		
Directors' liability insurance	4,296	4,992
Key pads	2,208	-
Computer	6,006	6,506
Conversion	234	649
	<u>12,744</u>	<u>12,147</u>
	<u>\$ 768,189</u>	<u>\$ 793,785</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Schedule of Expenditures

Year ended December 31, 1996

	1996	1995
COMMITTEES		Schedule 2
By law	\$ 894	\$ 1,920
Christmas party	6,984	11,911
2000 +	9,977	17,854
Community relations	12,872	17,949
Computer	6,135	4,672
Directors	1,170	7,629
Education	4,599	5,887
Executive	2,063	1,994
Golf tournament	-	1,939
ICI	2,573	4,499
Marketing division	19,686	27,170
Membership services	5,593	6,647
Membership affinity	1,500	1,500
MLS	7,980	285
Orientation	1,022	1,573
PAC	4,761	4,683
Professional standards	627	1,457
Slo pitch	41	4,007
Standard forms	-	14,468
	<u>\$ 88,477</u>	<u>\$ 138,044</u>
PROFESSIONAL DEVELOPMENT		
Association dues (net)	\$ -	\$ (2,016)
Other	3,243	3,875
CREA conference	11,109	38,960
FIABICI conference	10,536	9,449
OREA conference	20,880	32,891
General meetings	17,051	19,761
NAR conference	10,549	6,601
	<u>\$ 73,368</u>	<u>\$ 109,521</u>
ADMINISTRATION		
Salaries	\$ 456,790	\$ 452,434
Pension and benefits	56,123	59,022
Payroll assessment	28,011	29,261
	<u>\$ 540,924</u>	<u>\$ 540,717</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Schedule of Expenditures

Year ended December 31, 1996

	1996	1995
OPERATIONS		Schedule 3
Equipment		
Repairs, maintenance and copier charges	\$ 41,295	\$ 10,997
General		
Bad debts	-	561
Business tax	31,995	31,404
Employee training	8,065	8,276
Member life insurance	52,279	56,275
Miscellaneous	2,362	2,616
Postage and courier	5,594	6,398
Resale forms (net of recoveries)	315	4,199
	<u>100,610</u>	<u>109,729</u>
Professional Fees		
Audit and related services	6,000	7,040
Consultant	12,000	12,000
Legal - general	24,875	12,736
	<u>42,875</u>	<u>31,776</u>
Stationery		
Letterhead	1,289	1,664
Stationery and supplies	7,803	10,167
	<u>9,092</u>	<u>11,831</u>
Telephone	16,584	15,724
	<u>\$ 210,456</u>	<u>\$ 180,057</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Schedule of Expenditures

Year ended December 31, 1996

	1996	1995
OCCUPANCY		Schedule 4
Building		
Janitorial	\$ 13,834	\$ 12,001
Repairs and maintenance	8,804	13,926
Yard and sewer charges	15,779	11,949
	<u>38,417</u>	<u>37,876</u>
General		
Insurance	4,872	3,652
Mortgage interest	28,250	47,359
Property taxes	66,139	64,917
Utilities	22,857	22,218
	<u>122,118</u>	<u>138,146</u>
	<u>\$ 160,535</u>	<u>\$ 176,022</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Notes to Financial Statements

December 31, 1996

1. ACCOUNTING POLICIES

The accompanying financial statements are prepared on the historical cost basis in accordance with accounting principles generally accepted in Canada. The significant accounting policies are summarized below.

Capital Assets

Land and building are recorded at acquisition 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.

Depreciation Policy

As a non-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. INVESTMENTS

The investments for general, computer, debt reduction and Habitat of Humanity reserves are recorded at cost and are comprised of cash and short-term Canada Treasury Bills, Government of Canada Bonds, Provincial Bonds, Bell Canada Bonds and Farm Credit Corporation Bonds. Market value as of December 31, 1996 for the reserves - \$765,373 (1995 - \$660,174)

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

Notes to Financial Statements
December 31, 1996

3. PROPERTY AND DEVELOPMENT COSTS

	1996	1995
Property	\$ 1,583,000	\$ 1,583,000
Development costs	1,938,004	1,938,004
	<u>\$ 3,521,004</u>	<u>\$ 3,521,004</u>

4. MORTGAGE PAYABLE

First mortgage of \$404,251 which is being repaid in monthly instalments of \$10,804 including interest at the National Trust Company's prime demand rate of interest. The mortgage payable is secured by the property 338-358 Commissioners Road and is due on demand. National Trust has given the London and St. Thomas Real Estate Board the assurance that it will not demand the mortgage within the next fiscal period therefore the mortgage has been reclassified as long term accordingly.

5. CONTINGENCY

An action has been commenced against the Board for the alleged wrongful termination of a member of the Board. The Board is defending this claim and has also filed a claim against the board's insurance company naming them as a third party.

At the current time, the amount of loss to the Board, if any, is not determinable.

