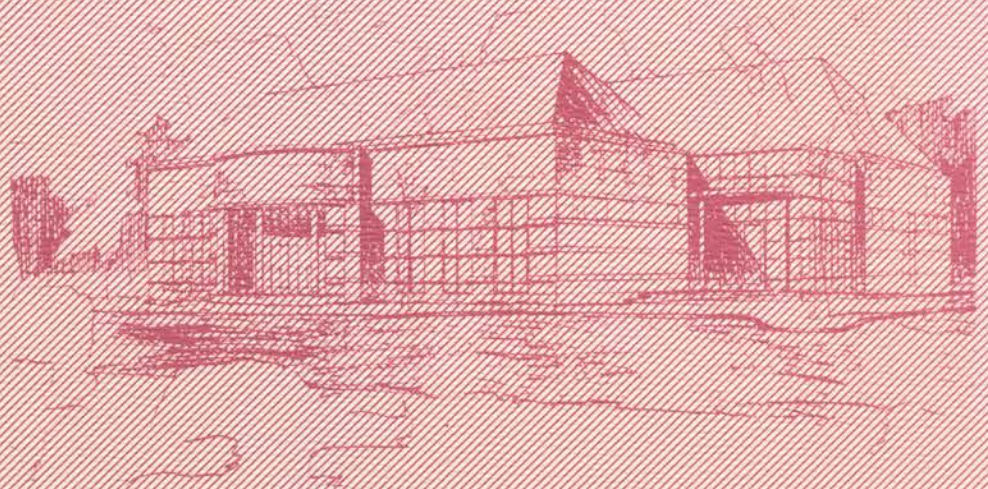


The London and St. Thomas

REAL ESTATE BOARD

**ANNUAL
GENERAL
REVIEW 1993**



AGENDA

Paddock Lounge
Western Fair Grounds
Tuesday, February 15th, 1993

Please turn pagers off for the duration of the meeting

- 11:30 a.m.** Registration
- 12:15 p.m.** Call to Order and Welcome by Peter Hoffman 1994 President
Grace & Toast to the Queen - Lunch
- 2:00 p.m.** Approval of February 10, 1993 Annual General Meeting Minutes (see following pages)
- Adoption of 1993 Committee Reports and Audited Financial Statement and Appointment of the Board's 1994 Auditors and Solicitors
- Remarks of 1993 President
- Presentation to 1993 President
- Presentation to 1993 Retiring Directors
- Address of the 1994 President
- Remarks of 1993 Marketing Division President
- Presentation to 1993 Marketing Division President
- Remarks of 1994 Marketing Division President
- Other Business
- 3:00 p.m.** Introduction of Guest Speaker
- Address by Guest Speaker
- Thanking of Guest Speaker
- Adjournment

1993 Annual General Meeting

London and St. Thomas Real Estate Board

President: Grant Monteith
Past President: Joe Pinheiro
1st Vice-President: Peter Hoffman
2nd Vice-President: Debbie Collins
Secretary-Treasurer: Bill Bickley

Executive

Pat Batticuore
Vince Bogdanski
Dennis Broome
Helen Girardin
Don Lafreniere
Peter Litvinchuk
Ray Porter
Darlene Reidy
Rick Thyssen

Directors



1993 Board of Directors: (Back row, from left to right) Peter Litvinchuk; Don Lafreniere; Darlene Reidy; Vince Bogdanski; Rick Thyssen; Ray Porter; Helen Girardin; Betty Dore; Dennis Broome. (Front row, from left to right) Joe Pinheiro; Peter Hoffman; Grant Monteith; Debbie Collins; Bill Bickley. (Absent from photo) Pat Batticuore.)

Wednesday, February 10, 1993
Paddock Lounge - Western Fairgrounds

1.) Call to Order and Welcome

Following lunch, 1993 President Grant Monteith welcomed members and called the meeting to order at 1:25 p.m.

2.) Introduction of Head Table Guests

Grant introduced members of the head table, as well as guests, followed by a round of applause.

3.) Approval of Agenda

MOTION
that the agenda be approved.
CARRIED

3.) Approval of Minutes

MOTION
that the Minutes of the February 11, 1992 Annual General Meeting be approved.
CARRIED

4.) Approval of 1992 Committee Reports

MOTION
that the 1992 Committee Reports, as contained in the Annual Review, be approved.
CARRIED

5.) Approval of Statement of Revenue and Expenditures for the Year Ended December 31, 1992

MOTION
that the Statement of Revenue and Expenditures for the year ended December 31, 1992, as contained in the Annual Review, be accepted.
CARRIED

6.) Appointment of 1993 Board Auditors and Solicitors

MOTION
that be Ford, Keast Chartered Accountants be appointed as the Board's Auditors for 1993.
CARRIED

MOTION
that the law firms of Aston, Berg, Kennedy & Morrissey AND Burgard, Robinson be appointed as the Board's Solicitors for 1993.
CARRIED

Minutes of the Annual General Meeting

Minutes cont.

7.) Address by Guest Speaker

Following Peter Whatmore's introduction of our guest speaker Gordon Randall, Registrar of the Real Estate and Business Brokers Act, Mr. Randall spoke on such items as advertising infractions, independent contractor status, registering of branch offices, environmental issues, dual agency, disclosure and the effects "warehousing" licenses had on professionalism. Following a brief question and answer period, Mr. Randall concluded his address by advising members that, in the event they required the Ministry's assistance, they should contact either Jane Hutchinson or David Brickman at the Ministry of Consumer and Commercial Relations in London.

8.) Thanking of Guest Speaker

On behalf of the membership, 1st Vice-President Peter Hoffman then thanked Gordon Randall for his informal, but educational address, and presented him with a token gift of appreciation, followed by a round of applause.

9.) Remarks of 1992 President

Joe Pinheiro opened his address by thanking the 1992 Board of Directors for being excellent team players over the course of a very eventful and, at times, stressful year. In addition, he expressed his heartfelt thanks to Committee Chairmen and Members, the membership at large, Board staff and a special thank you to our E.O., Betty Doré. While Joe stated that he did not wish itemize all the accomplishments of 1992, he did say that two of the proudest moments he experienced in his year of presidency were when he had the privilege of hoisting the Canadian flag to fly over our Board office, and when he presented a cheque in the amount of \$4,260, which was raised by the Board through the sale of *Homes for Hope* pins to the Director of Mission Services for London. He remarked "old Presidents don't fade into the woodwork" and advised that as PAC Chairman for 1993 he was looking forward to the challenges posed by that position. In conclusion, Joe congratulated not only Grant Monteith on his presidency, but also the entire 1993 Directorate. He offered his continued support whenever needed and stated "that we are all in this particular boat together and it is a seaworthy vessel".

Grant Monteith then presented Joe with his Past President's pin and gift, together with a scrap book of special events and media coverage during Joe's reign as President in 1992.

10.) Presentation to 1992 Retiring Directors

Subsequent to President Grant expressing his appreciation to the 1992 retiring Directors, the following members (even though the majority of which had be re-elected) were presented with their retiring Directors' plaques.

JOE PINHEIRO
PETER HOFFMAN
VINCE BOGDANSKI

HELEN GIRARDIN
RICK THYSSEN

11.) Address of 1993 President

President Grant started off by stating how delighted he was with the excellent turnout, and advised that the Board of Directors as well as Committees, valued input from members, as input is critical if our Board is going to fulfil its mandate of service. He then thanked the membership for the privilege of being elected and serving as President during 1993, and requested members to "be gentle" because, unlike Past

Minutes cont.

President Joe Pinheiro, this was his first time around and like the Chinese proverb: “**New boots ---- big steps**”. “1992 was a good year” said Grant “not a great year ... but a good year”. Sales of homes in London were up 4.6%, dollar volume increased 5.7%, the number of listings rose a modest 1.1%, as did the average price of a home in London (\$135,962.). Grant touched on such matters as The Home Buyers Plan, which allows homebuyers to dip into their RRSPs; CMHC’s Home Loan Insurance Plan, better know as the 5% down plan; and the fact that 1992 also marked the lowest interest rates in 20 years. In the area of good news, he advised that the “recession is over” but that the bad news is “it’s so subtle it’s almost imperceptible”. The President advised the members to target the first-time homebuyers market and to aggressively pursue it. “After all” he said “the renter who buys a home today will be worth \$167,000 more 30 years from now than he would if he continues to rent. We’re doing him a big favour by turning him on to home ownership”. After urging members to join RPAC (Realtors Political Action Coalition), he concluded by stating “I may be the official spokesperson of the Board, but each of you is a representative of our Board in his or her own right. You may rely on my support; I hope I may rely on yours. Together, we can make these **new boots take big steps** indeed.”

12.) Remarks of 1992 Marketing Division President

Rick Thyssen stated he would keep his speech short, and thanked members for the opportunity of serving as the Marketing Division President during 1992. He expressed his appreciation to the excellent Boards of Directors, Committee Chairmen and members, as well as Board staff. He made reference to the fact that Salesorama, the Golf Day in Union, and the Special Olympics would not have been such huge successes without the volunteer helpers who were eager to assist. Rick complimented the Board on the adoption of Commission Trust, stating it was “good protection” and “a good step forward”. Turning to the matter of our current voting structure, Rick stated that we are **one** association and that he, along with many, many others, were looking positively towards the proposal of “**one vote - per one member**” so that the “us” versus “them” syndrome would finally come to an end. Because, in Rick’s words “we all work together for the same common interest and common goal”. He ended his address by reiterating his thanks to the members for allowing him to serve.

13.) Presentation to 1992 Marketing Division President

In the absence of 1993 Marketing Division President Don Lafreniere, 2nd Vice President Ben Kristensen presented 1992 President Rick Thyssen with his President’s plaque.

14.) Remarks of 1993 Marketing Division President

2nd Vice President Ben Kristensen then read the speech prepared by Don Lafreniere on his behalf. Topics in his speech included - plans & goals for 1993; a Regional Salesorama (to include Sarnia, Chatham and Windsor Boards); the threat of public access; and dual agency. Mention was made to the fact that the Marketing Division’s 1993 Luncheon Meetings would be informal, but educational, and promised some exciting topics and speakers. All members were encouraged to attend and to promote attendance. Don’s speech concluded by him thanking members for electing him as President of the Division for 1993, and by requesting members to send him any concerns or comments they might have.

15.) Other Business

a) Presentation to Board by Moore Data Management Systems

The President of Moore Data Management Systems Tom Gregorich and its MLS Manager John Fisher

Minutes cont.

presented a beautiful scenic picture to President Grant as a belated gift for our new building.

Tom thanked the Board for allowing Moore the opportunity to provide us with dailies and MLS books and wished the Board and our members much success in 1993.

b) Presentation to Norm Shaw of the 1992 Community Service Award

Ashleigh Barney, as Chairman of the 1992 Community Services Committee, advised that the Award was instituted to recognize the REALTOR in our Board who, in the Committee's opinion, had made the most outstanding contribution to the community in the past year and stated that she was pleased to announce the 1992 recipient of the Award for 1992 was Norm Shaw of Norm Shaw Realty Ltd. for his untiring efforts in raising funds on behalf of the Canadian National Institute for the Blind and presented him with the Award, followed by a round of applause.

Norm stated that he had always admired the courage of the blind for overcoming the obstacles and challenges the blind must face on a day to day basis and thanked the members of the Board who were kind enough to give donations.

Norm mentioned he was still accepting donations and encouraged members who had not previously given to phone him.

In conclusion, he expressed his appreciation in being bestowed with the Award and thanked the Committee for selecting him.

c) Presentation to Ron Richardson of Honourary Membership Plaque

In view of the fact that Ron Richardson was unable to attend, it was agreed to present his plaque to him at a later date.

15.) Adjournment

As no further business was raised, the President declared the meeting adjourned 2:40 p.m.



At the beginning of the year, upon entering into my presidency, I sat down and composed a wish list. Included on this

wish list were these items:

- I wanted the City of London and its citizens to become more aware of the Board and its activities and of the role organized real estate plays in the community.
- I wanted to see an access agreement effected between the Boards of Region One so that cooperation between member boards could be both easier and more orderly.
- I wanted the Board to become more politically active.
- I wanted Board functions to be made more enjoyable and memorable.
- I wanted to see the monthly assessment brought down to \$80.
- I wanted the Board to win the MICC Community Service Award.

That was my wish list for 1993. Now, as every parent who has recently undergone a Christmas knows, you don't always get everything on your wish list, but I was lucky this year . . . lucky and blessed with hardworking committees to implement my wishes for me: I got a great deal of what I wished for.

I will not usurp the right of committee chairs to report on what their committees did in 1993. I will, however, touch on their efforts as they relate to the goals I have set forth above.

1993 saw the Board gain in public recognition both for its community service work and the leadership role it played, particularly in local politics. Establishing a community presence through such endeavours rather

than buying it with money spent on expensive advertising and public relations campaigns takes time and a great deal of effort on the part of a great many people. Projects like *Homes for Hope* bring us nothing but goodwill. Habitat for Humanity London, which we supported this year, is another crowd-pleaser. I understand that we are going to increase our support of that organization significantly over the next few years and this can only work to our advantage.

A regional access agreement was signed at the CREA convention in Calgary in the Autumn of 1993. Long in the making, this agreement will take us far into the future. Cooperation will prove key to the continued success and, indeed, to the continued existence of the real estate industry. Agreements of this type facilitate that cooperation.

The PAC Committee saw to the granting of my third wish . . . in spades ! I will leave the details of our ongoing political Coming of Age to the Chair's report. Let it suffice to say that each year we emerge more knowledgeable, more focussed, more effective and better organized. Over the past few tumultuous years political acumen has become an essential tool in our kit of necessary survival skills. That's not going to change. We can no longer assume . . . if, indeed, we ever did . . . that someone in City Hall, at Queen's Park or on Parliament Hill has our best interests at heart, that we can sell ourselves into prosperity and that the government will let us keep our fair share, that a home . . . something every Canadian has seen as a good investment from the foundation of this country . . . will remain a good investment, if we are not prepared to protect it as such. The recent Recession and initial recovery phase has taught us some harsh economic lessons. It has also taught us some political ones:

If we do not speak, we are not heard. And if we do not speak with a loud enough voice, we will be drowned out by those who do.

We cannot afford to be drowned out, nor, I believe, can the country at large afford to have us drowned out. We are among the strongest advocates of some of Canada's most fundamental values and, as such, we are obliged to take our place in the political arena and hold it.

The Christmas Party Committee and the Golf Committee were responsible for granting my fourth wish.

Both events were upgraded to upscale this year through the expenditure of some more dollars, but chiefly through the hard work of committee members. My congratulations and thanks to them.

Another of my wishes was partially granted by the Finance Committee recently. As you will read in that committee's report, the monthly assessment has been lowered. Good news for us all, with credit going to the Committee for managing our resources in such a way that a lowered assessment became possible.

Finally, I wanted to see our Board win the MICC Community Service Award. We didn't, but we did receive an Honourable Mention from that organization, largely due to the continuing success of our *Homes for Hope* project, which generated \$13,500 for Mission Services this year, \$1,500 for YWCA Women's Place in St. Thomas and over \$30,000 for charity throughout Canada. We also received an official commendation from CREA and, of course, "scored" the Ontario Home Week poster. *Homes for Hope* has put us on the map, in terms of community service, and we should all be proud of its success. Ashleigh Barney in particular must be thanked -- without her dedication and the untold hours she has put into this project, there would be no *Homes for Hope*.

1993 has tested me as an individual and us as an organization. Although it has not been easy and we have not always scored as high as we think we should have, we have nevertheless come through these twelve months with relatively few scratches and dents -- not a bad price to pay for wisdom and experience.

I would be neglectful of my duty were I not to thank an exemplary Board of Directors who guided me as much as I guided them, hardworking and dedicated committees who gave of their time and energy so that you and I might be well served by our Board and Board staff, particularly our Executive Officer, Betty Dore, who steered many an endangered ship clear of a rocky coastline. It has been a privilege not only to serve you but to serve with you.

Grant Monteith
President





It is a tall order indeed to recap the events of 365 days, all of which seemed at the time of living them to be both too short and too packed to accomplish all that was on our agenda. What surfaces in memory is a blur of meetings, of comings here and goings there, of hours on the telephone, of columns of figures requiring perusal and contracts requiring scrutiny and dogeared pages of type with so many crossed out sections and handwritten marginalia that simply deciphering them proved a challenge to the sharpest of eyes. I have to admit that there were occasions when I wondered whether it wouldn't be easier just to keep a sleeping bag rolled up in the closet of the administrative area to bridge those gaps between brokers' meetings which ran late and committee meetings which began early.

1992 saw the implementation of the newly revised *Rules & Regulations*. That revision may have proved a Herculean task, but its acceptance by the Members and subsequent implementation did not let us off the revisionary hook. We still had the *By-Law* and its accompanying *Policy* to complete -- itself a huge labour which we successfully accomplished in 1993. 1994 will see that *By-Law* come both into effect and into the hands of every Member of this Board, and, for that, I am very pleased.

Commission Trust was built into the new *Rules & Regs*, and 1993 provided this new mechanism to safeguard commissions with a testing ground which proved its effectiveness.

1993 was the first year in which we ran a comprehensive orientation program for Directors and Committee Chairs. We had been concerned about a possible lack of continuity between committees of different years, as well as a lack of communication between the Directors and committees. The Orientation program was intended to address both these perceived problems. It featured a joint meeting between the Directors and the Chairs of both 1992 and 1993 committees and an Orientation Manual which I had drafted for the Directors and then adapted for the Chairs. I must say that the program worked very well indeed and will be continued from here on out.

I would also like to mention in passing a series of cable TV shows on organized real estate which Rogers Cable has been producing in cooperation with the Board and airing on Cable 13. Thus far, the shows have covered such issues as the Board and its general function, our involvement with politics, government incentives for homebuyers, how to buy your first home, *Homes for Hope*, the Board's support of Habitat for Humanity and REALTORS and Ethics and featured many of our members.

I would also like to point out to the members that the Board earned runner-up status in *London Business Monthly Magazine's* annual Best Workplace contest, for which we are deservedly proud.

There are always too many people to thank for the space provided. Let me single out the Directors both of the Board and the Marketing Division -- they were all fabulous -- the 1993 committees and their dedicated chairs and my hard-working, flexible and generally good-humoured staff.

Betty Dore
Executive Officer



Executive Officer's Report

Affinity

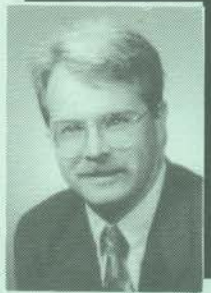
The Affinity Committee has, for the second year, provided the membership with a book full of discounts and deals from area merchants. A lot of time has been put into this project and, to ensure future success, we ask the membership to patronize these generous retailers.

The members of the committee and our staff liaison Wendy Murray did a wonderful job, and I'd like to take this time to thank them for their time and effort. A job well done.

David Wood, Chair

Members

*David Fitzsimmons
Dorothy Howell
Marge Kavanagh
Bill Ruskey
Greg Shore*



By-Law

Because a draft form of the new By-Law prepared by this and previous By-Law Committees, with the assistance of the Executive Officer, has been in the hands of the Directors and Active Members for the bulk of the year up to and including its adoption by the Active Members at their November 30, 1993 meeting, the By-Law Committee met on only two occasions this year.

We met in order to include in the new *Rules & Regulations* provisions for Buyer Agency. These recommendations were implemented and approved as part of the new

Rules & Regulations.

In addition, an ad hoc committee consisting of me, Helen Girardin and Vince Bogdanski, was struck early in the year to investigate *Rules of Order* at Board meetings.

cont. nextpage

Arbitration



ZERO = PERFECT

CONGRATULATIONS! That headline sums up the number of cases this committee adjudicated to the end of November 1993. Not one hearing! Not even a single Preliminary Conciliation meeting! A few telephone inquiries about procedure have been fielded but nothing has progressed to the point of committee involvement. Congratulations must go out to ALL members for resolving any issues that came up among themselves.

The Committee also dealt with the Arbitration By-Law, which was amended to conform more closely to the OREA model while still responding to our Board's unique, local requirements.

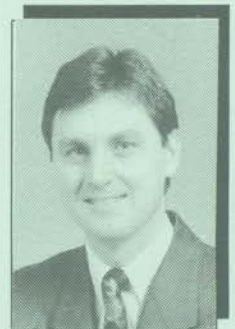
It also investigated the feasibility of running a service to mediate between members and the public. The Committee's conclusion was that the recent implementation of private and community-based mediation services rendered a Board-run mediation service unnecessary. Look for more information about these services from the Committee in the new year.

KEEP UP THE COOPERATIVE SPIRIT IN 1994!

Steven Horvath, Chair

Members

*Bill Bouris
Ron Falck
Ken Harper
Lew Lint
Sandy McGregor
Helen Miller
David Roby
Ron Rossini
John Simpson*



By-law cont.

After several meetings at which we reviewed a number of different sets of *Rules of Order*, we narrowed our choice to two: *Robert's Rules of Order* and *Wainberg's Society Meetings* (including Rules of Order). In addition, we sought the input of some outside experts, including Scott Macivor, the Parliamentarian of the Toronto Real Estate Board.

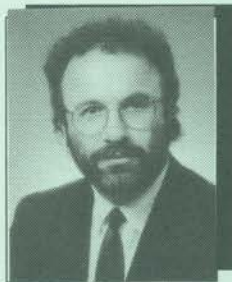
The ad hoc committee recommended to the Directors that the Board adopt *Wainberg's Rules of Order* because of the ease with which they can be read and comprehended and because they were Canadian in origin.

As Chair, I would like to extend my thanks to the Committee members for their valuable input and time. In addition, Board staff, particularly Betty Dore, have been extremely helpful and knowledgeable.

Peter Hoffman, Chair

Members

Pat Batticuore
Marje Crowder
Ian Fleming
Murray Ford
Mary Koziol
Darlene Reidy
Larry Waghorn



Christmas Party

As early as February 1993, our industrious group got together with a new mandate: to make the 1993 Christmas Party a true "class act." I can confidently report that we did just that. A theme was chosen -- *Candlelight and Roses* -- and the meetings began.



Christmas Party cont.

In March 1993 we met with Barry Webb of the London Convention Centre and Jim Davey of the New Modernaires 18-piece orchestra and major decisions. Ultimately both were contracted for December 10, and the fun began.

A "class dinner" that came under budget was next on the agenda. By September a menu was ready for our perusal. What a selection, and all priced over our budget amount of \$25.30 a plate! A subcommittee was assigned the enjoyable task of test tasting a full "dress rehearsal" of the proposed meal -- a "French Service Prime Rib Dinner". Approval was unanimous.

In November we asked ourselves what could make the Christmas gala even better. How about free rose corsages for the ladies? How about red rose centre pieces to contrast with white on white table dress? And to complete our presentation and make it all come together and to add value, Hildebrand wine and votive candles. A class act? You bet! At only \$40 a head!

The job of chairing this committee was made a pleasure by the calibre of the committee -- a group a Chair would die for! Special thanks also goes out to Wendy Murray, our staff liaison for all of her hard work on our behalf.

Carol Barnard, Chair

Members

Ashleigh Barney
Rob DiLoreto
Stella Galan
Maria Hiller
Max Leisinger
Lillian Peterson
Christine Sanderson
Christine Voorhaar
Ietje Kerkhoff



Community Service

1993 was a strangely turbulent year for the Community Service Committee, marked by some significant successes and some pretty resounding failures.

First the successes.

In June '93, only the second year in which the Board ran a team in the Labatt's 24-hour Blue Light Relay to benefit the area's three teaching hospitals, we raised \$5,007 to earn a silver medal. I wish I could thank all the runners, but there just isn't space. I must thank Val Shakespeare, however -- she co-captioned the team with Carmen Lamond.

The *Homes for Hope* project just never quits. At the time of writing, in '93 alone we have sold approximately 6,000 pins to generate approximately \$30,000 for charity throughout Canada, including \$1,500 for YWCA Women's Place in St. Thomas and \$11,500 for Mission Services of London (that sum was augmented by a \$2,000 grant from the OREA Foundation to \$13,500). The pins were widely

used by many Boards to celebrate Ontario Home Week and appeared as the image on the Ontario Home Week poster. The community service generated by the pins throughout Canada earned us an official commendation by CREA and recognition from MICC. Orders are already coming in for 1994, so it seems that this project has a life of its own. Our only regret has been the dearth of pins available locally; we are committed to making sure that doesn't happen in '94.

On the recommendation of the '92 committee, the Board pledged \$1,000 towards the construction of a new rehabilitation centre for the CNIB to come out of this year's committee budget, and it did. In addition, the 1993 Committee, after reviewing the submissions for the 1992 Community Service Award, awarded it to Norm Shaw, who undertook the task of raising money from REALTORS for the CNIB centre.

Computer

Your Computer Committee held six meetings this past year along with two *Buddy User Group* meetings, featuring Ronald Nolce from Dyna Realty in June and Kenneth Donaghy from P.C. Consulting Computer Support Specialists in November. Judging by the interest and enthusiasm of those in attendance, the presentations were well received. We recommend that future committees undertake *Buddy User Groups* Seminars with continuing emphasis on how computers work and commercial software available to the membership.

We were finally able to implement the Broker Load program menu #57 in early 1993. This option was favourably received by the membership and is being used more often each day.

We also were able to make some minor modifications to our on-line programs, such as:

- Menu #6 *Listing Inquiry* now allows you to press Enter to get all street types.
- Menu # 31 was changed to allow more uniform printing of the *Amortization Schedule*.
- Menu#54 *Accounts Receivable Inquiry* was altered so managers could find out what their offices owed the Board.
- Menu #52 *Market Statistics* was made more encompassing and streamlined .
- The on-line remarks section of the listing (an option only available on-line) was enlarged.
- Menu #67 was updated again to include the option to search by year and "from date".
- Menu #3 *Expired Listing Search* was given the indicator *S* to indicate that the property was sold on a subsequent listing.

The bulk of our resources were spent getting ready for on-line picture transmission. The necessary hardware was purchased in November and Ian Dickson, the Board's programmer, has been working on the software to make this all happen in anticipation of our going on-line in the first half of 1994.

Community Service cont.

This was the first year that the Committee, as a committee, undertook the United Way Campaign. Previous to '92, it was directed by individuals; in '92, it was handled by a subcommittee of the Community Service Committee under the chair of the capable and long-suffering Ben Kristensen.

The United Way, particularly over the last few years, has become a harder and harder "sell" for a variety of reasons, including economic hard times. For that reason, the Committee decided that it would try a different tack: rather than dunning individuals for money as the sole way of raising funds, it would organize a number of fundraising activities, including a Free Throw Basketball Challenge targeted at students at Westmount Mall (manned by Joe Melnick), a barbeque at Loblaws (staffed by Richard Corcoran) a Halloween Dance, a TV raffle, various 50-50 draws, and a Silent Auction. Not all of these were the absolutely successful fundraisers we had hoped they would be, but we did learn some valuable . . . and occasionally painful . . . lessons about what to do and what not to do and we did manage to raise about \$1,500 to add to what you, as individuals, contributed.

In conclusion, I would like to point out that the Board which won the MICC Community Service Award this year (not us!) did so because a high percentage of their members participated in fundraising efforts that generated an amazingly large sum of money. I would be less than honest to you and less than fair to my hard-working committee if I were to say that you, the members, supported our efforts to the fullest extent possible. Our committee worked very hard, but it is simply unrealistic to suppose that eight people can perform the community service of 1,500.

Ashleigh Barney, Chair

Members

Carol Barnard
Janet Christensen
Richard Corcoran
Ietje Kerkhoff
Joe Melnick
David Roby
Dan McFadden



Computer cont.

1994 promises to bring further changes to our computer system and your computer committee asks to hear your concerns and to get your input so that we make our system the best it can be.

In summation, 1993 was a very busy and effective year for the Computer Committee and I would like to thank all its members for their continuing commitment and support.

Vince Bogdanski, Chair

Members

Rob Brady
Cecil Clark
Tom Dampsy
Harry Mohaupt
Len Fowler
Douglas Paul
Judy Dennis



We are very proud of the work done by the 1993 Education Committee and hope that more of the members will take part in the Professional Development Initiative (PDi) seminars scheduled for 1994.

The Committee held a total of four Home Buyer seminars this year -- three at the London Public Library and one at the St. Thomas Public Library. The feedback from the four seminars was very favourable and the information was very much appreciated by those attending.

The Committee has also held 12 PDi seminars with a total of 319 participants. These courses are certified

Education

Education cont.

OREA courses but are offered at a substantially lower price for our membership. For example, the Legal Update Seminar usually costs \$75 through OREA but costs our members only \$25. An added bonus for everyone is the fact that the courses are held at our beautiful board office on Commissioners Road West.

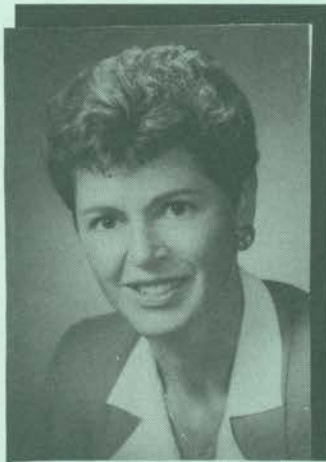
The Committee also purchased 4 new editions for the board library. Yes! We do actually have a board library! Speaking of which, we wish to thank those members who donated their own publications and texts so that our resources might be that much better.

I would like to extend a special thanks to a wonderful committee. They displayed tremendous enthusiasm coupled with a strong desire to offer the members worthwhile courses. Of course, I would like to thank our Staff Liaison Liana McLachlan for her patience as well as to congratulate her on her new baby. Also, thanks to Tony Harper at OREA for all his assistance.

Pat Pope, Chair

Members

*Paula Bodkin
Tony Bruinink
Joyce Byrne
Joanna Cummins
Lessley Harford
Richard Haddow
Helen Tomlinson
Rhoda Webb*



Ethics 1,2,3

Our committees did not have to face the same stressful agenda in 1993 as they did in 1992.



During the past 12 months we met 27 times and studied 36 complaints (compared to 56 in 1992).

Of those, 13 were dismissed, 2 required no further action as it was felt that, should our committees intervene, it might affect other outside interests, 1 was tabled pending a legal response, 14 went on for investigation and 6 went directly to an official hearing.

Of the 14 investigated, 7 were dismissed, 5 were forwarded on to an official hearing and 2 are still pending.

At official hearings, 21 charges were heard. 6 of these were dismissed as not guilty, 7 received reprimands and the remaining 8 received fines from \$250 to \$2,500.

It appears that a great percentage of offences are against Article 22 and pertain to the manner in which some members and broker offices are handing our Board's policy on rejected listings. The failure to communicate properly between broker and salesperson to ensure that listing errors are taken care of immediately is costing them money and time which could certainly be better spent elsewhere.

Chairpersons Betty Mallette, Jeff Chapman and I would like to thank once again all our our committee members who gave unselfishly of their time throughout 1993 as well as Lyn Coupland and staff for another year of exemplary assistance and guidance to our committees.

In closing, we thank our board members for making our task much easier in 1993. By conducting our business as professionals and remembering to communicate properly with clients, customers and other members, we will keep complaints to a minimum.

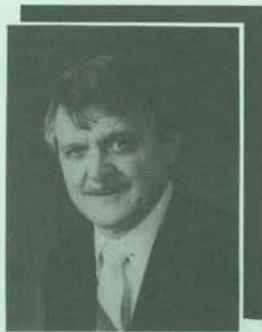
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Ethics 1,2,3 cont.

Gerald Logan, Chair

Members

Rob DiLoreto
Bill Elliott
Mike Hines
Ruth McNab
Helen Miller
Lynn Pawlowski
Rhoda Webb
Gerry Weir

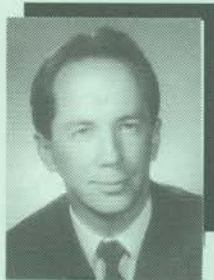


Ethics 2

Jeff Chapman, Chair

Members

Bing Anrep
Douglas Cassan
Lois Edwards
Bea Kiekens
Costa Pouloupoulos
Ted Saker
John Simpson



Ethics 3

Betty Mallette, Chair

Members

Bill Clifford
Ian Fleming
Glen Gordon
Joe Halford
Karl Hobyan
Veronica Porter
John Sandor
Larry Wilcocks



Four appeals to Ethics Committee decisions were lodged during 1993.

Three have been heard to-date and, out of those three, the Appeal Panel upheld the findings of guilt as ascertained by the Ethics Committees in all three cases. In two instances, the fines remained unchanged and, in the third case, the Appeal Panel increased the fine imposed by the Committee by \$500. One appeal was received too late to be dealt with before year end.

In 1992 one of the appeals heard was further appealed to OREA and I wish to report that OREA held the hearing in 1993 and advised the Board that it concurred in not only this Board's findings of guilt but also with the maximum penalty imposed (\$5,000).

A review of these appeals and the resultant dispositions of same make it clear that our three Ethics Committees certainly do their homework and deliberate diligently in rendering their decisions.

A sincere thank you to my Committee for their input, time and assistance in reviewing these cases and to our invaluable staff liaison, Lyn Coupland.

Helen Girardin, Chair

Members

Dennis Broome
Peter Litvinchuk
Ray Porter



Ethics Appeal

Finance

1993! A really good year for Board finances as opposed to (and in contrast with) our marketplace. At the time of writing, the excess of revenue over expenses for 1993 is expected to be in the neighbourhood of \$300,000. Several factors contributed to this agreeable situation. Probably the most significant of these is that we budgeted for a small reduction in our membership. In

fact, we were one of the few Boards in Ontario to experience a slight increase in membership! Other factors include the recent change to our delivery and photography contracts. These contracts were put out for tender earlier this year. The tenders recommended for acceptance by the Committee will result in a savings of approximately \$75,000 per year.

cont. next page

Finance cont.

The overall position of our finances is excellent. We will enter 1994 with a cash reserve of approximately \$1,050,000. About half this amount is earmarked for specific reserves, i.e., computer, lock boxes and the building.

The balance of long-term debt (mortgage) is approximately \$680,000 and is budgeted to be amortized over about 6.5 years. The 1994 budget also provides for an additional \$60,000 to be added to the general reserve.

The 1993 Board of Directors has authorized the reduction of the monthly assessment to \$90 a month beginning January 1, 1994. This news, received with positive enthusiasm by the membership, means that the revenue for 1994 is now budgeted to be \$150,000 less than our budgeted \$2,113,000 expenses but the budget also anticipates a decrease in membership. If this is not forthcoming, the result will be an increase to our revenues. Only time will tell!!

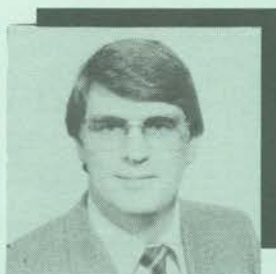
Our committee met monthly throughout the year to review the revenue and expense finance statements, cash statements, mortgage statement, membership track, reserve position and investment report, listing and sales activity report and to approve the accounts paid. Special meetings were held to deal with the delivery and photography tenders, and a joint meeting with the MLS Committee to make recommendations regarding the lock box system.

I would like to take this opportunity to thank the committee members for committing their time and expertise. On behalf of the committee, I would also like to thank Betty Dore and Connie Calis for the quality and accuracy of the data they supplied. Their help made our job so much easier.

Bill Bickley, Chair

Members

Lorne Ford
Harry Johnston
Don Lafreniere
Grant Monteith
Joe Pinheiro
Leigh Taylor
Rick Thyssen



Golf

Once more we were blessed with fair weather for the 1993 Real Estate Board Golf Tournament held on June 14, 1993 at the Thames Valley Golf Course.



The play off was different this year. The tournament was limited to 144 golfers and we began with a shotgun start, which was a great success since we managed to start and finish all at the same time.

I would like to express my appreciation to a hard-working committee and staff liaison -- Wendy Murray did a superlative job -- for making this event a continuing success.

Peter Russo, Chair

Members

Jack Barrett
John DeBlock
Stella Galan
Rick Gleed
Maria Hiller
Cam Hutchinson
Max Leisinger
Christine Sanderson
Christine Voorhaar



Health and Dental



The mandate of this committee was to find an insurance plan which would provide those members and their staff who might opt for it with good health and dental benefits at reasonable rates. If you have shopped for insurance at all, you will realize that this was no easy task.

In the first place, many insurance companies will not touch commissioned salespeople. Apparently we are not a good "insurance risk". Some of the companies we approached didn't even want to talk with us. (Ironi-cont. next page)

Health and Dental cont.

cally and irritatingly, once a plan was in place, several of these same companies approached us with a competing plan.)

In the second place, most of the "group" plans brought us were not true group plans at all but the sort of policies sold to individuals. Needless to say, the premiums on these were sky high.

After many meetings and presentations by a number of brokers and carrier representatives, we finally settled on the firm of Bilyea & Associates to act as our broker. The plan they put forward struck us as a true group plan, the coverage was good and the prices were reasonable. They also seemed more flexible and accomodating than some other companies -- this was an important factor, since prospective members of this plan do not constitute a group in the accepted sense of the word -- i.e., employees of an employer who kicks in part of the premium.

Next we issued a survey asking how many people might be interested in obtaining health and dental insurance, if the price was right. We received the biggest response to a survey that the Board has even seen -- over 400 people said that they were interested. Based on this, North American Life, the carrier in question, set its rates and the selling job was on.

Over the past few months the committee has made hundreds of phone calls and there has been an all-out attempt to publicize the plan with every mechanism at our disposal. Unfortunately, the response was not as great as we had anticipated. We did not end up with the requisite number of participants specified by North American Life and feared that we might lose out. Bilyea & Associates then approached the carrier and asked that the plan be implemented despite the poorer numbers, and they consented, with one restriction: those who applied before December 31, 1993 got the full \$1,500 dental benefit; those who applied after that date, received only \$500 for the first year, after which they received the full benefit. Coverage commenced December 31, 1993.

Chairing this committee has been hard and, not infrequently, frustrating work, particularly given the level of response and occasional acts of sabotage by insurance brokers who would not come to the table with us initially but who threw together a plan in a hurry once we were on the road to getting this one implemented . . . or by those who waved lower-priced plans in our faces without pausing to observe that the coverage those plans offered was simply not comparable. It is my profound wish and the wish of this committee that members and their staff think seriously about joining this plan for, in my estimation, one this good this competitively priced will not be offered them a second time.

Norm Shaw, Chair

Members

Paula Bodkin

Peter Kaligirou

Peter Piazza

Audrey Peachey

Lillian Peterson

Gerry Pickett



1993 was the first year for the ICI (Industrial, Commercial and Investment) Committee. Our main objective, over the course of many meetings, was to revamp the

ICI input form so that it might better pertain to changing times. We attempted to create a standardized means of searching for rental space on a net and/or gross basis, as opposed to net, gross, something in between and/or a monthly rate -- as it is at present.

If anyone has a problem with the form or what it requires, please call a member of the committee for
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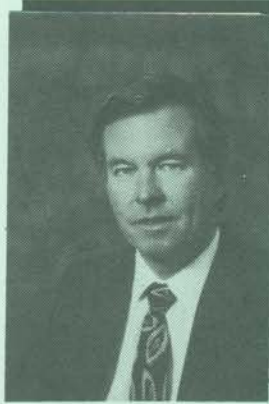
ICI cont.

help. Remember that we are marketers of a commodity and, with the number of properties on the market, the selling agent needs as much *accurate* information on the listing as possible in order to direct his or her client.

Michael Morrish, Chair

Members

*Dennis Broome
Randy Hanke
Glenda James
Kevin MacDougall
Philip Nau
Rick Odegaard
Douglas Paul
Kenn Poore
Gerry Slade
David Southen*



Membership

The Membership Committee held a total of five meetings in 1993. At these, the following decisions were made:

- 7 Class I Members were admitted.
- 2 Class II Members were admitted
- 1 Honorary Membership was granted
- 2 company name changes were submitted and approved.

In addition, the establishment of a Retired Membership category was recommended to the Board of Directors and passed this year.

I would like to thank Liana MacLachlan and Wendy Murray for their assistance this year, as well as my committee.

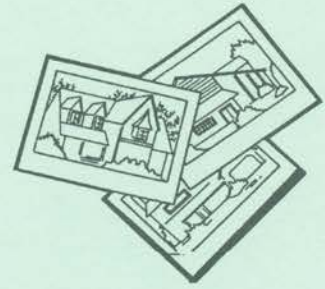
John Sandor, Chair

Members:

*Norm Chesterfield
John Faber
Ben Kristensen
Sandy Krueger
Helen Tomlinson
Sharon Ross
Norm Shaw*



MLS



The MLS Committee had a very busy 1993, necessitating extra meetings to deal with the two large issues of the MLS book contract and the lockbox system.

The committee decided to extend the current contract with Moore for the MLS book for another year. Plans made by the Computer Committee concerning on-line picture transmission are soon likely to increase the Board's options *vis a vis* printing and it was felt that this extension would allow the Board to further its plans and improve its negotiating position in the future.

The Committee had several meetings to review our current lockbox system. Three different lockbox companies presented their systems to the Committee, which is now in the early stages of negotiation.

Some of the changes which resulted from suggestions received via the Speak-Up Form include:

- The *new home* section was eliminated to allow better exposure to the new homes listed.
- Salespeople may now enter comments on the direction line of the Open House Sheet.
- Large 2-page maps will be at the front of each L section in the MLS book.

I would like to thank the members of the MLS Committee for all the time they invested in our work.

Debbie Collins, Chair

Members

*Mike Hines
Carol Longworth
Rick Odegaard
Alton Ross
Christine Sanderson
Tony Scarpelli
Bill Warder*





1993 was a very productive year for the Orientation Committee with 231 members benefitting from this year's pro-

gram.

I would like to thank my committee for their hard work and staffpersons Liana McLachlan, Wendy Murray and Janice Freeman for their support and assistance.

Pat Cooper, Chair
Barrie Cripps, Vice-Chair

Members

- Richard Houston*
- Dorothy Howell*
- Mary Koziol*
- Steve Parker*
- Donna Rupert*
- John Sherratt*
- Penny Taylor*
- Bill Woodsit*



Orientation



Over the past few years, the PAC Committee of this Board has kept pace with both OREA PAC and CREA PAC in terms of increased profile and greater effectiveness.

The highlights of the year include the pivotal leadership role we played in the formation and ongoing direction of HALT (Hold All London Taxes) -- from the organization of the June rally which dissuaded City Council from issuing a supplementary tax bill in 1993 to our push to explore alternatives which pressured the City into looking into the privatization of certain services to cut costs. Because high taxes make a home more expensive and one of our key mandates as REALTORS is to keep housing affordable, property owners are our constituents. This year we have advocated well for those constituents and, for that, we can be deservably very proud.

Political Action

In addition, we have formed a business alliance with the London Development Institute, the London District Building and Construction Trades Council, and the London chapters of the Property Management Institute, the Appraisal Institute, Home Builders Association, REIC and the Canadian Condominium Institute to deal with issues that affect us all, like rent control and development charges.

On a provincial level, we lobbied for (and got) an extension on OHOSP. Other issues tackled were non-profit housing, the Sewell Commission on Planning and Development, fiscal policy and provincial real estate tax reform.

On a federal level, we focussed on extending the
cont. next page

Property Management



The aims and objectives of the Property Management Committee, thanks to the diligence of my predecessors, were straight forward -- to ensure that the quality of our premises were maintained or improved.

cont. next page

Political Action cont.

Home Buyers Plan which is due to expire in March 1994, the Income Tax Act and Competiveness, the elimination of the \$100,000 capital gains exemption on real estate, the GST/Business Transfer Tax, UI Benefits for Commissioned Salespersons and REALTOR and Lender liabilities.

1993 was an election year which proved of more moment than any of us could have predicted. We were expecting a rather routine changing of the guard, not the relegation of one of Canada's leading parties from the halls of power to the pages of history. In keeping with our commitment to taking a leadership role in the political arena, we co-sponsored with the Chamber of Commerce a series of Business Issues Forums as well as hosting our first annual Political Forum. At this event, held during Ontario Home Week, area MPs and MPPs were invited to respond to our questions on issues affecting the real estate industry.

We also sponsored a Landlord-Tenant forum in connection with our presence on the London Housing Advisory Committee.

As of July 8, 1993, our RPAC membership stood at 21.46% of our membership -- up from 18.67% in March of this year. Although this increase is welcome, we still fall short of the mark as far as the membership at large's involvement in politics go. Accordingly, I strongly recommend to you that you fully support PAC in its endeavours and that you join RPAC if you are not already a member. Involvement means effectiveness. It is critical. If we are involved, we cannot help but be powerful. And, if we are not powerful, we are in trouble.

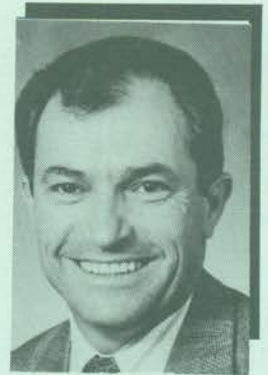
I would like to express my sincere appreciation to all my committee members and particularly to our Staff Liaison, Melissa Hardy-Trevenna, who has laboured beyond the call of duty so that all the projects we tackled this year could be accomplished.

Joe Pinheiro, Chair

cont. next column

Members:

*Debbie Collins
Bob Eaton
Helen Girardin
Richard Haddow
Nancy McCann
Ron Paulger
Jim Rowcliffe*



Property Management cont.

Throughout the year, the committee addressed items such as:

- the fine tuning of the rental policies of Realtor Hall;
- the procurement of items or chattels required to allow for total task functioning of the Board without inconvenience;
- the review and recommendation to the Board of Directors of contracts as they came due, such as building insurance, mechanical service contracts, building maintenance and landscaping and snow removal.

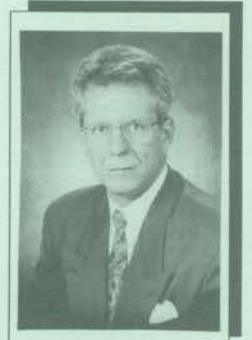
We also worked with Ellis Don on an ongoing basis regarding items under warranty as well as outstanding deficiencies.

Much to my satisfaction, committee members were able to put the interest of the membership first, ensuring the continuance of a first-class operation. For this, I wish to thank my fellow members and to give special acknowledgement to Betty Dore and Connie Calis for their great support and assistance.

Warren G. Shantz, Chair

Members

*John Dunbar
Steven Horvath
Gerry Pickett
Ray Porter
Jarmo Stromberg*



Public Relations



The Public Relations Committee, dissolved a few years ago and reconceived and, as it were, reinvented in 1992, has made significant progress over the past twelve months towards its goal of heightening and enhancing the profile of the Board and its members within the community. In order to do this, it continued with several programs begun last year, since continuity and repeated association are key to creating a known presence within the community.

Among these was Realty Watch, which included a Home Security Seminar for the public held during Ontario Home Week, a Self Defense Course for REALTORS, donations to Crimestoppers in both London and St. Thomas as well as a Public Service Announcement campaign for Crimestoppers and the generation of as-needed Realty Watch Alerts on the dailies. In addition, the Board sponsored for a second time the raffle of a dollhouse to benefit Fanshawe Pioneer Village.

The Committee also provided support to the Community Service Committee by running PSA campaigns for *Homes for Hope* beneficiaries, Mission Services of London and YWCA Women's Place during Ontario Home Week. Other organizations which we supported financially included the Children's International Summer Village and Junior Achievement.

In addition, the Committee recommended to the Board of Directors that the New Homes Showcase be "in-housed" rather than handled by an outside committee. In the new year, it will be organized by a subcommittee of the Public Relations Committee, to the greater benefit, we hope, of all.

Moreover, the Committee began an association with Habitat for Humanity London which it hopes will pay off big-time in future public relations dividends. Habitat for Humanity is a well-established international association with an excellent track record. Its mission is to provide housing for those who cannot afford to pay a conventional mortgage through volunteer labour and donations of material, money and expertise. It is designed to give those it benefits a helping hand rather than a handout -- owners of a Habitat Home must invest "sweat equity" in their homes as well as those of other beneficiaries. They must also pay an interest-free mortgage. The monies raised in this way go into a revolving fund to build other homes . . . and create new homeowners. It is a perfect fit for REALTORS! We supported the building of Habitat London's first home through donations of *Homes for Hope* to be used as fundraisers, PSA campaigns and expertise -- Committee Members Laura Banga and Doug Chateaufneuf sat on Habitat's P.R. and Building Site Committees and Marketing Division President Don Lafreniere worked on the actual building site. The Committee also committed to raising a substantial amount for Habitat over the next few years in the hopes of becoming a major corporate donor, so look to hear from future P.R. Committees on the subject of supporting this worthwhile program!

The Committee's achievements this year speak to the fact that they are a hard-working bunch. I would like to thank them all.

Audrey Glead, Chair

Members

Laura Banga

Doug Chateaufneuf

Janet Christensen

Dan McFadden

Linda Newcombe



Standard Forms

The Standard Forms Committee has been busy, as usual, re-



vising the forms that each of us use on a day to day basis. The highlight of this year's work was the completion and launch of the new offer form. We on the Committee are extremely proud of this new form. Other than obvious improvements such as not needing to stroke out "purchaser" and put in "vendor" in the clause which sets the irrevocable date, there are a number of more technical changes which will assist you when the going gets tough. You should also note that the UFFI clause has been changed from an absolute warranty to a warranty "to the best of the vendor's knowledge". Be sure to destroy your old copies and start using this form now.

Likewise, the Condominium Offer form was completed, and we expect this form to be available in January.

We are now engaged in a major review of the multi-family form. It has been quite some time since the form was overhauled, and many of the items contained on it are no longer issues. This is a particularly tough revision in light of the situation with the provincial government and their interference with what is laughingly referred to as "property rights" in Ontario.

The Standard Forms Committee welcomes your input and would ask that, should you have any suggestions, you send them to us in care of our staff liaison, Tammie Daigneault.

David Southen, Chair

Members

Rod MacDougall

Doug Workman



Marketing Division



1993 has proved an eventful year for the Marketing Division, one marked by overall success and one significant failure.

The year began at the OREA Leadership Conference in February attended by the Directors of the Marketing Division and the Board of Directors. The orientation and training we received there would prove key -- not only would we be serving as Directors but we would also be representing the Marketing Division on every Board Committee except for those whose membership is restricted by the By-Law to brokers.

We hosted a number of well-attended lunches this year, featuring as keynote speakers Ted Mouradian, Betska K-Burr and the Reeve of Port Stanley. Dan McFadden and Christine Sanderson were in charge of programming and did an excellent job.

Pat Cooper was in charge of the Office Reps this year and fulfilled this vital role with grace and competence, while Donna Rupert served a second year as our efficient Secretary-Treasurer.

Darlene Reidy served the Marketing Division well as the Vice-President of its Board.

As for community service, we not only helped to organize the Ontario Special Olympics Track and Field Meet but also sponsored a Bowlarama for the kids. Ben Kristensen was in charge of these efforts and his hard work paid off handsomely.

cont. next page

Marketing Division cont.

Dorothy Howell had her hands full with the annual Christmas Party at Wonderland Garden with 300 children to entertain and acquitted herself with her usual aptitude and aplomb.

The high point of the Marketing Division's calendar is always Salesarama. This year's event was made the more special by the fact that it was a regional salesarama rather than a purely local one. Held at the spanking new London Convention Centre, the day was sold out and, in spite of a very few glitches, went wonderfully well. We owe Salesarama to the hard work of Tom Dampsey, John Dunbar and Rick Thyssen.

The low point of the year had to have been the Brokers' decision to maintain the status quo *vis a vis* the Voting Structure. We had certainly hoped to see a more equitable structure implemented. This issue is not dead nor can it ever be until more fair representation is effected.

Although each Director had his or her area of responsibility, we worked as a team and, when it was called for, we all pitched in and did what it took to get the job done. I would therefore like to thank my team for a job very well done, indeed. It has been both a pleasure and a privilege.

Don Lafreniere

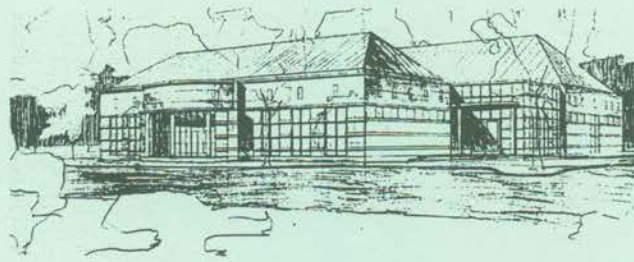


1993 Board of Directors, Marketing Division

*(Front row, left to right:) Ben Kristensen; Darlene Reidy; Don Lafreniere; Rick Thyssen; Donna Rupert.
(Back row, from left to right) John Dunbar; Pat Cooper; Tom Dampsey; Dorothy Howell; Richard Haddow;
Christine Sanderson; David Southen.
(Absent from photo) Dan McFadden.*



London and St. Thomas Real Estate Board Staff



Executive Officer: Betty Dore
Executive Assistant/ Professional Standards Officer: Lyn Coupland
Administrative Assistant: Heather Schildroth
Bookkeeper: Connie Calis
Member Services: Liana McLachlan
Communications/Public Relations Officer: Melissa Hardy-Trevenna
Communications Secretary: Wendy Murray
MLS Supervisor: Tammie Daigneault
Senior Data Entry Clerk: Mary McIntyre
Junior Computer Programmer: Colleen Daniak (part-time)
Junior Computer Operator/Data Entry Clerk: Cory Coughtrey
Data Entry Clerk: Janice Kiernan
Data Entry Clerk: Brenda Dubois
Data Entry Clerk/Mail Clerk: Nelda Templeton
Data Entry Clerk/Reception: Mary Ann Kestle (part-time)
Data Entry Clerk/Reception: Gwen Bodaly
Data Entry Clerk/Reception: Kim MacKay (part-time)
Data Entry Clerk/ Reception: Janice Freeman



Board Staff

(Front row, from left to right) Tammie Daigneault; Gwen Bodaly; Betty Dore; Lyn Coupland . (Back row, from left) Connie Calis; Brenda Dubois; Heather Schildroth; Melissa Hardy-Trevenna; Cory Coughtrey; Wendy Murray; Mary Ann Kestle; Nelda Templeton; Janice Freeman. (Absent from photo) Colleen Daniak; Liana MacLachlan; Kim MacKay.

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

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1993

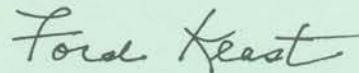
AUDITORS' REPORT

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, 1993 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, 1993 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, 1994.

Chartered Accountants

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

BALANCE SHEET - DECEMBER 31, 1993

A S S E T S

	<u>1993</u>	<u>1992</u>
CURRENT ASSETS		
Bank	\$ -	\$ 94,285
Accounts receivable	122,835	122,379
Inventory of resale supplies	42,565	39,380
Prepaid expenses	<u>13,362</u>	<u>13,450</u>
	<u>178,762</u>	<u>269,494</u>
KEY TRUST FUND	<u>113,100</u>	<u>106,650</u>
INVESTMENTS (Note 2)		
General reserve	570,246	434,640
Lock box reserve	400,000	-
Computer reserve	<u>74,500</u>	<u>-</u>
	<u>1,044,646</u>	<u>434,640</u>
ACCOUNT RECEIVABLE ON SALE OF 311 OXFORD STREET EAST	<u>-</u>	<u>695,250</u>
REAL ESTATE AND FIXED ASSETS		
Land, building and development costs (Note 3)	3,521,004	3,521,004
Furniture and equipment	<u>2</u>	<u>2</u>
	<u>3,521,006</u>	<u>3,521,006</u>
	<u>\$ 4,857,514</u>	<u>\$ 5,027,040</u>

L I A B I L I T I E S A N D S U R P L U S

CURRENT LIABILITIES		
Bank indebtedness	\$ 10,402	\$ -
Accounts payable and accrued liabilities	<u>66,265</u>	<u>238,412</u>
	<u>76,667</u>	<u>238,412</u>
KEY TRUST FUND LIABILITY	<u>113,100</u>	<u>106,650</u>
MORTGAGE PAYABLE (Note 4)	<u>679,969</u>	<u>1,152,000</u>
SURPLUS		
Unappropriated surplus	102,095	31,082
Appropriated surplus	<u>3,885,683</u>	<u>3,498,896</u>
	<u>3,987,778</u>	<u>3,529,978</u>
	<u>\$ 4,857,514</u>	<u>\$ 5,027,040</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED DECEMBER 31, 1993

	<u>1993</u>	<u>1992</u>
REVENUE		
Monthly assessments	\$ 1,864,356	\$ 2,159,785
Initiation fees	239,400	273,000
Annual dues	83,980	82,755
M.L.S. charges	43,333	36,964
Interest	19,327	29,446
Member charges	<u>17,400</u>	<u>10,025</u>
	<u>2,267,796</u>	<u>2,591,975</u>
EXPENDITURES		
M.L.S. - Schedule 1	873,547	948,447
Professional development - Schedule 2	191,059	199,437
Administration - Schedule 3	485,778	533,707
Operations - Schedule 4	166,745	156,101
Occupancy - Schedule 5	<u>147,663</u>	<u>196,765</u>
	<u>1,864,792</u>	<u>2,034,457</u>
NET REVENUE OVER EXPENDITURES ON GENERAL OPERATIONS	<u>403,004</u>	<u>557,518</u>
OTHER INCOME AND EXPENSE		
Interest earned on reserves	54,796	14,210
Loss on disposal of 311 Oxford St	<u>-</u>	<u>(393,768)</u>
	<u>54,796</u>	<u>(379,558)</u>
NET REVENUE OVER EXPENDITURES FOR THE YEAR	<u>\$ 457,800</u>	<u>\$ 177,960</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

STATEMENT OF SURPLUS

YEAR ENDED DECEMBER 31, 1993

	1993			1992
	Unappropriated Surplus	Appropriated Surplus	Total Surplus	Total Surplus
SURPLUS, BEGINNING OF YEAR	\$ 31,082	\$ 3,498,896	\$ 3,529,978	\$ 3,352,018
ADD (DEDUCT)				
Net revenue over expenditure for the year	403,004	54,796	457,800	177,960
Appropriated for General Reserve Investment	(80,710)	80,710	-	-
Appropriated for Lock Box reserve investment	(400,000)	400,000	-	-
Appropriated for Computer reserve investment	(74,500)	74,500	-	-
Transfer of surplus to fund general operations	<u>223,219</u>	<u>(223,219)</u>	<u>-</u>	<u>-</u>
SURPLUS, END OF YEAR	\$ <u>102,095</u>	\$ <u>3,885,683</u>	\$ <u>3,987,778</u>	\$ <u>3,529,978</u>

APPROPRIATED SURPLUS COMPRISED AS FOLLOWS:

338 - 358 Commissioners Road costs	\$ 3,521,006	\$ 3,521,006
311 Oxford Street receivable	-	695,250
General reserve investments	570,146	434,640
Lock Box reserve investments	400,000	-
Computer reserve investments	<u>74,500</u>	<u>-</u>
	<u>4,565,652</u>	<u>4,650,896</u>
Deduct:		
Mortgage payable on 338 - 358 Commissioners Road	<u>679,969</u>	<u>1,152,000</u>
	\$ <u>3,885,683</u>	\$ <u>3,498,896</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1993

	<u>1993</u>	<u>1992</u>
CASH PROVIDED BY (USED IN) OPERATIONS		
Net revenue over expenditures for the year	\$ 457,800	\$ 177,960
Deduct non-cash items		
Loss disposal of 311 Oxford St	<u>-</u>	<u>393,768</u>
	457,800	571,728
Change in non-cash working capital balances related to operations		
Decrease (increase) in current assets:		
Accounts receivable	(456)	(7,835)
Prepaid expenses and inventory	(3,097)	(11,211)
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	<u>(172,147)</u>	<u>31,613</u>
Cash provided by operations	<u>282,100</u>	<u>584,295</u>
CASH PROVIDED BY (USED IN) INVESTMENT ACTIVITIES		
Land acquisition and development costs	-	(4,916)
Net proceeds on 311 Oxford Street	<u>695,250</u>	<u>10,982</u>
Cash provided by (used in) investment activities	<u>695,250</u>	<u>6,066</u>
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Mortgage principal advanced (repaid)	(472,031)	(48,000)
Bank advances received (repaid)	<u>-</u>	<u>(300,000)</u>
Cash provided by (used in) financing activities	<u>(472,031)</u>	<u>(348,000)</u>
INCREASE IN CASH DURING THE YEAR	505,319	242,361
Cash, beginning of year	<u>528,925</u>	<u>286,564</u>
CASH, END OF YEAR	\$ <u>1,034,244</u>	\$ <u>528,925</u>
REPRESENTED BY:		
Bank indebtedness	\$ (10,402)	\$ 94,285
General Reserve Investments	570,146	434,640
Lock box reserve investments	400,000	-
Computer reserve investments	<u>74,500</u>	<u>-</u>
	\$ <u>1,034,244</u>	\$ <u>528,925</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1993

1. ACCOUNTING POLICIES

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

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 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, lock box and computer reserves are recorded at cost and are comprised of cash and short-term Canada Treasury Bills.

3. LAND AND DEVELOPMENT COSTS - 338-358 COMMISSIONERS ROAD

	<u>1993</u>	<u>1992</u>
Land acquisition	\$ <u>1,583,000</u>	\$ <u>1,583,000</u>
Development costs		
Construction costs	1,675,160	1,675,160
Architectural fees	114,254	114,254
Mortgage interest and property taxes	72,736	72,736
Legal and land transfer tax	35,122	35,122
Design/build fees	25,000	25,000
Site work (pre-construction)	<u>15,732</u>	<u>15,732</u>
	<u>1,938,004</u>	<u>1,938,004</u>
	\$ <u>3,521,004</u>	\$ <u>3,521,004</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1993

4. MORTGAGE PAYABLE

First mortgage of \$679,969 which is being repaid in monthly instalments of \$10,725 including interest 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.

5. CONTINGENCY

An action has been commenced against the Board for alleged breach of contract with respect to tendering of a construction contract. The Board is defending this claim and has also filed a claim for indemnification against a third party with respect to advice received in tendering the contract in question.

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

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

YEAR ENDED DECEMBER 31, 1993

SCHEDULE 1

	<u>1993</u>	<u>1992</u>
M.L.S.		
Information		
Catalogues and dailies	\$ 463,343	\$ 475,766
Photographer	<u>176,629</u>	<u>184,995</u>
	<u>639,972</u>	<u>660,761</u>
Services		
Delivery	103,187	105,881
Land registry	1,381	1,151
Notice sheets	<u>-</u>	<u>6,047</u>
	<u>104,568</u>	<u>113,079</u>
Computer		
Hardware	26,028	94,685
Repairs, maintenance and service	18,875	22,142
Software and support service	60,630	30,134
Supplies	2,243	2,613
Telephone	<u>16,759</u>	<u>16,783</u>
	<u>124,535</u>	<u>166,357</u>
General		
Directors' liability insurance	4,472	4,324
Research and other	<u>-</u>	<u>3,926</u>
	<u>4,472</u>	<u>8,250</u>
	<u>\$ 873,547</u>	<u>\$ 948,447</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

YEAR ENDED DECEMBER 31, 1993

SCHEDULE 2

	<u>1993</u>	<u>1992</u>
PROFESSIONAL DEVELOPMENT		
Association dues (net of recoveries)	\$ (6,816)	\$ (9,850)
Committees		
- community service	262	249
- education	2,146	1,720
- executive	2,149	2,735
- membership	4,081	4,103
- political affairs	9,768	4,183
- public relations	13,365	13,481
- social events	7,010	5,485
- standard forms	9,099	6,617
- other	9,364	9,660
Computer	9,308	13,074
CREA conference	47,278	41,888
Donations	7,034	9,545
FIABICI conference	7,333	14,996
General meetings	20,670	13,294
Marketing division	23,382	27,868
NAR conference	5,110	8,523
OREA conference	<u>20,516</u>	<u>31,866</u>
	<u>\$ 191,059</u>	<u>\$ 199,437</u>

SCHEDULE 3

ADMINISTRATION		
Salaries	\$ 411,266	\$ 453,312
Pension and benefits	48,955	55,781
Payroll assessment	<u>25,557</u>	<u>24,614</u>
	<u>\$ 485,778</u>	<u>\$ 533,707</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

YEAR ENDED DECEMBER 31, 1993

SCHEDULE 4

	<u>1993</u>	<u>1992</u>
OPERATIONS		
Equipment		
Repairs, maintenance and copier charges	\$ <u>17,214</u>	\$ <u>15,281</u>
General		
Bad debts	5,433	3,730
Business tax	17,723	17,304
Employee training	5,518	6,273
Member life insurance	53,623	53,833
Miscellaneous	2,001	1,642
Postage and courier	5,825	4,007
Resale forms (net of recoveries)	<u>(1,092)</u>	<u>2,041</u>
	<u>89,031</u>	<u>88,830</u>
Professional Fees		
Audit and related services	5,550	6,000
Consultant	12,000	12,000
Legal - general	<u>17,041</u>	<u>12,540</u>
	<u>34,591</u>	<u>30,540</u>
Stationery		
Letterhead	1,715	1,299
Stationery and supplies	<u>10,016</u>	<u>7,790</u>
	<u>11,731</u>	<u>9,089</u>
Telephone	<u>14,178</u>	<u>12,361</u>
	\$ <u>166,745</u>	\$ <u>156,101</u>

THE LONDON AND ST. THOMAS REAL ESTATE BOARD

SCHEDULE OF EXPENDITURES

YEAR ENDED DECEMBER 31, 1993

		<u>SCHEDULE 5</u>
	<u>1993</u>	<u>1992</u>
OCCUPANCY		
Building		
Janitorial	\$ 10,112	\$ 14,221
Repairs and maintenance	22,138	19,565
Sewer charges	<u>2,603</u>	<u>2,603</u>
	<u>34,853</u>	<u>36,389</u>
General		
Insurance	3,358	3,425
Mortgage interest	51,533	88,697
Interest expense	-	11,703
Property taxes	36,628	35,433
Utilities	<u>21,291</u>	<u>21,118</u>
	<u>112,810</u>	<u>160,376</u>
	<u>\$ 147,663</u>	<u>196,765</u>

Notes

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