

YOUR STEP UP

HELPING MEMBERS BUILD
SUSTAINABLE CAREERS

2021 ANNUAL REPORT
ALBERTA REAL ESTATE
ASSOCIATION

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Our annual report provides AREA members and industry stakeholders an overview of our November 1, 2020 – October 31, 2021 fiscal year.

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Strategic Plan 2022–2025

The Alberta Real Estate Association (AREA) is a not-for-profit professional association that represents the interests and concerns of more than 11,000 Alberta REALTORS® from 10 local real estate Boards/Associations.

Mission

To provide strategic leadership and advance the Alberta real estate profession through member-centric services, advocacy and professional development.

Vision

Lead the real estate industry to help REALTORS® build sustainable careers and prosperity for Albertans.

Our work focuses on three high-value areas for REALTORS® across the province:

ADVOCACY

AREA brings a strong, collective voice to provincial discussions with the Government of Alberta and key stakeholders on issues of importance to REALTORS® and their ability to serve clients effectively.

PROFESSIONAL DEVELOPMENT

AREA is dedicated to fostering professional excellence and supporting our members in upholding the highest standards of practice, through educational means.

MEMBER SERVICES

AREA provides members with an array of programs, services and professional forms. These services maintain the legal integrity and consistency of practice, save AREA members dollars and time, and allow convenient access to information.

Membership Benefits

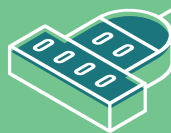
How are your **\$31.25/month** membership dollars used to benefit you?



Provincial Forms



Member Advocacy



Government Advocacy



Professional Development



Member Services

Unlocking greater access than ever before for our members.

As REALTORS[®], AREA members are dedicated to supporting their clients. New programs, resources, and services work to make the REALTOR[®]-client relationship seamless.

Built a complete FINTRAC toolkit to provide members the resources they need to ensure ongoing compliance with FINTRAC regulations and audit requirements. Most notably, AREA's online FINTRAC Program Builder uses CREA's Template Office Policy manual that brokers are familiar with, but broken into smaller, step-by-step pieces so brokers can work on it at their own pace.

Expanded our practice advising capacity by welcoming a provincial practice advisor to the AREA team to provide confidential practice advice to industry stakeholders in the areas of provincial and federal regulations related to real estate, AREA standard forms, provincially harmonized and MLS[®] rules, brokerage operation and management, as well as general best practice advice.

Partnered with ReallyTrusted to make it easier to implement automated audit-compliant policies and procedures. The ReallyTrusted app is available to all members and included in members' fees.

Introduced *Practically Speaking*, a weekly blog answering trending practice questions from Alberta REALTORS[®] from a practical perspective, available on our social media and via our website.

Facilitated the Rules Change Management Group (CMG) which made recommendations to mandate the disclosure of conditional/pending sales in the MLS® system, which was ratified by all 10 real estate Boards/Associations for implementation in 2022.

Revised AREA's agricultural and commercial representation forms to align with the plain-language content and branding changes previously applied to the residential forms.

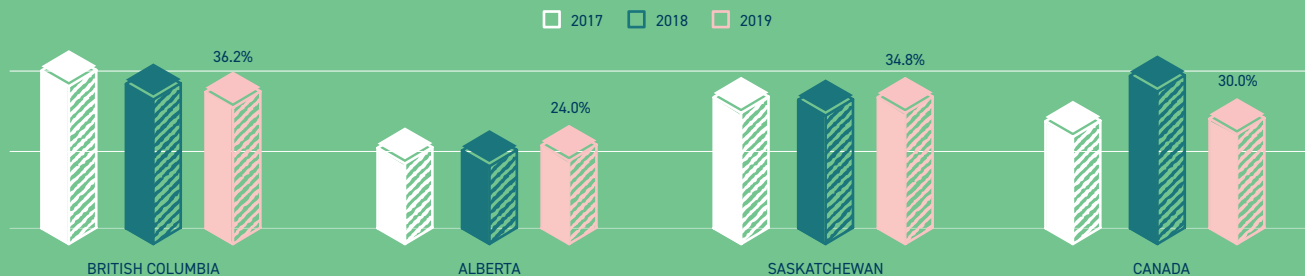
Advocating to protect and promote the real estate industry.

AREA brings a strong, collective voice to influence provincial public policy and regulation on issues of importance to REALTORS® and their ability to serve clients effectively.

PROFIT MARGINS FOR REAL ESTATE PROFESSIONALS

Profit margins for Alberta's real estate professionals have remained the lowest in Canada, largely influenced by regulatory red tape adding costs to practice, without improving public safety.

In 2021, AREA focused its policy positions around red tape reduction because less red tape means more profits in our member's pockets. This work will continue to be a priority in 2022.



Source: Statistics Canada. Table 21-10-0175-01 Real estate agents, brokers and appraisers, summary statistics

EXAMPLES OF RED TAPE SPENDING ADDING COSTS TO INDUSTRY:

- > Stringent advertising guidelines that are enforced as if they are rules.
- > Residential Measurement Standards (RMS) creating a new ~\$10 million measurement industry that does not comply with any standard measuring system or protocol.
- > Licensing on a yearly cycle, rather than every two years, like Ontario.
- > No provincial exemption for REALTORS®, requiring them to carry multiple municipal business licenses.
- > Yearly accountant-audited trust account reporting, which is not an effective fraud detection tool, costing ~\$6.3 million.

Member Programs

Looking to save time and money, or make life easier? **We can help with that.**

AREA's member programs are structured to make life easier, while saving you time and/or money.



AREA Health

Health Spending Account

The AREA Health Spending Account turns out-of-pocket health and dental expenses into business expenses.

bit.ly/3BMBvNF

Health & Dental

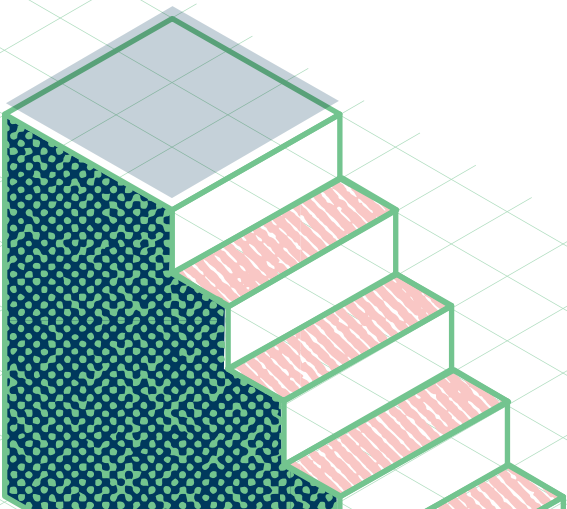
An opt-in member service starting from \$80 per month. With NINE affordable plans to choose from, we've made it easy to find a plan that fits your family's needs and budget. AREA Health is also available to your family members, including spouses, partners, and children.

bit.ly/3AS2MNq

REALTOR® & Family Assistance Program

A free, confidential and anonymous program which offers short-term counselling and support related to a wide variety of issues including relationship issues, depression and anxiety, stress management, grief and bereavement, work and family balance, parenting, gambling, substance use and work-related problems.

bit.ly/30pThrX



Data Co-op

A tool that allows Alberta REALTORS® to see all active listings in the province, and sold data from up to three years prior, across local Board/Association boundaries. In 2021, AREA approved Pillar9™ as the future, upgraded Data Co-op vendor, for 2022 implementation, to ensure read-only housing data will remain available to all members.

bit.ly/30kNrYT

AREA Advance

Same day commission advances in partnership with Alberta Brokers, offered as FRAME across Canada.

frameyourfuture.ca

Commission Protection

Designed to protect members' commissions if they are unpaid by their broker through claims submitted between Day 31 and Day 60 of transaction closing date.

bit.ly/3EQNYAx

REALTOR® Safety App

A premier mobile safety application for iPhone and Android users. Kinetic Global is a personal security app that monitors your safety. In the event of an emergency, it automatically ensures police are on their way with your GPS location and identifying details.

bit.ly/3mX3943

AREA Fuel

Beta testing underway for the fuel program with a province-wide launch to come in 2022.

Crown Lands

The AREA Crown Lands Program is administered in partnership with the Government of Alberta. Alberta Infrastructure notifies AREA when the government wishes to list a Crown Lands property, and AREA takes on the role of locating possible listing REALTORS® in the vicinity of the property.

bit.ly/2YRiV8v

Practice Advice

Confidential practice advice for AREA members.

bit.ly/2Z0Zt9F

Area WIRELESS

Powered by Rogers, Canada's largest wireless carrier and 5G Network, Area WIRELESS offers subscribers an unbeatable Bring Your Own Device (BYOD) mobile plan with three unlimited plans.

bit.ly/2YZ35ZJ

Scholarships

Two Al Larson Memorial Scholarships of \$2,500 are awarded annually to children or grandchildren of an Alberta REALTOR® having achieved first-time acceptance and entering their first year of study.

bit.ly/3aMsCra

Alberta Statistics

AREA Chief Economist Ann-Marie Lurie analyzes Alberta's resale housing statistics both provincially and regionally. In order to allow for better analysis of housing sales data, we have aligned our reporting regions to the census divisions used by Statistics Canada. By aligning with the provincial government and Statistics Canada, data can be linked and analyzed in the context of population growth, employment figures, and other demographic measurements. The transition to consistent property types that follow standard reporting conventions used by other agencies like CMHC allow for improved comparability with new and resale home statistics and across jurisdictional boundaries.

New reports are released by the sixth of each month, except on weekends or holidays when it is released on the following business day.

AREA By the Numbers

As of October 31, 2021

\$50 Annual dues
reduction
in 2022

11,335

Number of members

2020: 10,492 YOY: 8.03%

654

Number of brokerages

2020: 600 Brokerages \geq 5: 314

4,945

Area WIRELESS subscribers

2020: 4,308 YOY Increase: 14.8%

\$3.4+ M

Lent through AREA Advance

\$5,000

Scholarships awarded (\$2500 \times 2)

47 Scholarship applications received

\$1,061,730

AREA Health annual
coverage amount

Member Engagement

Courses

11,667

Online courses completed

9

Total number of courses offered

Webinars

16

Webinars

1,225

Total participants and viewers

In Your AREA Podcast

14,784 Listens

18 Episodes

146 Alberta communities

Most popular episodes:

- > Figuring out FINTRAC
- > Top Five Contract Mistakes and How to Avoid Them
- > Adventures in RPR

Practice

75

Calls/month average to Provincial Practice Advisor since May

10

Blog posts, since August 2021 launch

albertarealtor.ca

20,950

Visits per month

67% Desktop

30.9% Mobile

2.1% Tablet

Monthly newsletter

55% Open rate, compared to the **17-27%** industry average

Social media

f **1,914**

t **5,431**

in **938**

30%

Follower growth on LinkedIn compared to last year

Letter from the Chair

The AREA Board of Directors defines its success as making decisions that help REALTORS® build sustainable careers. As the 2018–2021 strategic plan wraps up, I want to take the opportunity to reflect on what our accomplishments have meant for the REALTOR® community.

One of the most impactful changes in the province has been the launch of Pillar9™, Alberta's provincial MLS® system that united nine of the local Boards/Associations under one system. AREA proudly led and facilitated the push for this innovative technological solution that benefits REALTORS® provincially.

AREA has worked tirelessly throughout the years to advocate for a strong real estate environment, including successfully advocating for increased industry voice, a renewed focus on regulating and enhanced accountability measures for the regulator. During this time, AREA successfully campaigned to keep Alberta free of land transfer tax, and launched the Member Advocacy Program, providing legal assistance to members arising from the results of qualifying disciplinary hearings or legal challenges.

I am beyond proud of the lineup of member services AREA has introduced to members in the past three years. From focusing on member wellness with AREA Health, to providing unbeatable data plans with Area WIRELESS, having members' backs with the REALTOR® Safety App, and protecting commission payments with the Commission Protection Program, there is something available for everyone. I'm also thrilled that AREA has expanded broker support through AREA Advance and FINTRAC compliance tools.

On behalf of the AREA Board of Directors, I'd like to acknowledge the hard work, commitment and support offered by CEO Brad Mitchell and the rest of the AREA team. I'd further like to congratulate them on their well-deserved recognition as a Best Workplace in Alberta for a second, consecutive year.

I am thrilled to pass the chair position to David P. Brown. Accompanied by the Board's passion and dedication, David's experience, honesty, and tireless commitment to improving the industry will serve AREA members well in 2022.



Kristie Kruger
AREA Chair



Letter from the CEO

AREA's prudent financial management throughout the 2018–2021 strategic plan allowed AREA to continue to add member programs and benefits without adding costs to our members. Because of this success, AREA has implemented a sustainable reduction of member dues by \$50, starting in 2022.

I am proud to lead a team of talented staff who continue to prioritize members as we work together to benefit industry through traditional and innovative means.

In 2021, we expanded our staff team by welcoming a full-time provincial practice advisor to the team. This advisor is a resource for all members regarding their business best practices with federal and provincial regulations, MLS® and practice rules, AREA forms, industry peers, and more.

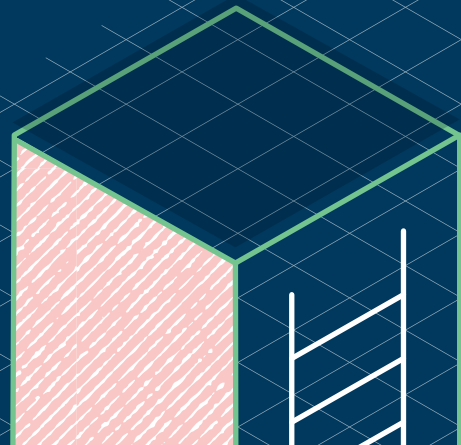
I want to thank Kristie Kruger for her leadership and enthusiasm as chair over the past two years, and welcome David P. Brown as he assumes the chair role.

Thank you also to all those who contribute to AREA's success, whether through participating in committees, attending events, or sharing your ideas.

My staff and I look forward to continuing to serve members as we transition into operationalizing the 2022-2025 strategic plan.



Brad Mitchell
AREA CEO



Board of Directors and Executive Staff

Chair



Kristie Kruger
Chair
Director at Large

Board of Directors



David P. Brown
Chair-Elect
Capital Region



Marc Aubin
Central Region



Tracy Carson
Foothills Region



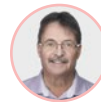
Jennifer Gilbert
Director at Large



Jolene Ledene Reimer
Southern Region



Tash Taylor
Public Member
Resigned April 2021



Greg Walsh
Northern Region



Shirley Williams
Director at Large

Executive Staff



Brad Mitchell
Chief Executive Officer



Heather Coleman
Managing Director



Tammy Williams
Managing Director



Kate Bailey
Director

Letter from the Real Estate Services Corp

AREA continues to deliver valued member programs through a wholly-owned taxable subsidiary: AREA Real Estate Services Corporation (Services Corp).

Under its own Board – accountable to the AREA Board of Directors – Services Corp develops and maintains optional programs that create efficiencies and savings for members' businesses. By focusing on maximizing member benefits while remaining financially self-sustaining, Services Corp is structured for longevity. The selection of programs to offer is based on the ability to save members more money than could otherwise be achieved as a member of the public.

In its fourth year of operations, Services Corp remained focused on delivering programs by negotiating improved contracts, leveraging our membership numbers, and ensuring our policies pass those savings directly to members. This includes the new Area WIRELESS contract which provides unlimited data and no data overage charges – a major win for members. Furthermore, the AREA Fuel program, powered by Shell, is currently in beta-testing with a province-wide launch in 2022.

Services Corp intends to scale some programs outside of Alberta to help all REALTORS® benefit from these savings opportunities while also generating revenue that can benefit AREA members. These programs allow money spent by the industry to stay within the industry and provide benefits to members.

With the COVID-19 pandemic continuing to limit our ability to have face-to-face interactions, some of the conversations we hoped to have directly with members this year did not occur. Historically, in-person meetings are where we've seen the biggest impact on program growth. We'd like to extend a big thank you to our program advocates for spreading the word and sharing it with your network. This word of mouth from existing users helped Services Corp have a strong year, despite COVID-19's limitations.

The Services Corp Board will continue to put members first as we deliver meaningful programs that save you money, ultimately helping you thrive in your business through reduced expenses.



Doug Koop
Services Corp Chair



Tammy Williams
Services Corp CEO

Real Estate Services Corp Board of Directors

Board of Directors



Tammy Williams
Services Corp CEO



Doug Koop
Services Corp Chair



Tracy Carson
Director



Kristie Kruger
Director



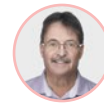
Dionne Levesque
Director



Cam Mendryk
Director



Brad Mitchell
Director



Greg Walsh
Director



“I think the AREA management team and the board have challenged each other to devise fantastic programs that truly benefit their members.”

—CAM MENDRYK, SERVICES CORP DIRECTOR

The background features a dark teal grid pattern. Overlaid on this are several isometric geometric shapes: a staircase on the left with a pink and white striped pattern; a central purple square; a large pink cube on the right with a white ladder-like structure on its side; and various other rectangular and square shapes in white and pink outlines and fills.

Strategic Plan 2018–2021

The AREA Board of Directors is proud of the work AREA does on behalf of Alberta REALTORS®. Heading into our 75th year, AREA has served as the provincial voice for REALTORS®, driving professionalism and advancing real estate as an industry. As the 2018–2021 strategic plan wraps up, AREA is proud of the work it has done to continue AREA's vision, addressing challenges, and opportunities AREA members face.

- 1. ELEVATE**
- 2. ADVOCATE**
- 3. SHAPE**
- 4. SUPPORT**
- 5. ENSURE**

1. Elevate

ELEVATE THE PROFESSIONAL EXCELLENCE OF REALTORS®

AREA values the reputation of REALTORS®. Forms and professional development remain core to AREA services. AREA believes tools and formal or informal learning opportunities can assist REALTORS® in better serving their clients. AREA also added practice advice to its list of services improving the professionalism of Alberta REALTORS®.

IN 2021, AREA:

Professional Development

- > Launched its 2021 mandatory *Engaging with Contracts* course, reviewing how to write effective contracts, understanding of the various contract sections, the consequences of a poorly written or negligent agreement and the value in taking the time to walk through the contracts with clients.
- > Released monthly episodes of the *In Your AREA* podcast, providing members with bite-size episodes on topics that will elevate professional excellence in real estate, including intellectual property, accessibility in real estate, backup offers, and holdbacks.
- > Held monthly webinars featuring subject matter experts that dived into topics like tax tips, tenant and landlord responsibilities, The Remedies of Vendors and Purchasers Facing Default Under a Real Estate Purchase Contract. Webinars were recorded and shared on our website, allowing members to revisit the content when needed.
- > Teamed up with industry experts to launch two topical webinar series:
 - > Developed in collaboration with Olds College, the Agribusiness & Real Estate Webinar Series built a foundational understanding of agriculture-based real estate.
 - > Developed in collaboration with Rise, the Sustainable Housing Webinar Series equipped AREA members with knowledge by which to support their clients in buying or selling a sustainable property.

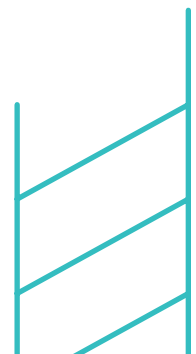
- > Diversified AREA's course offerings by building the course catalogue to include courses, such as the Healthy Homes and Fundamentals of Sustainable Homes, providing REALTORS® a competitive advantage by being able to recognize and understand healthy home elements as well as identify and communicate the benefits of sustainable homes in the market.
- > Participated in REALTOR® Safety Month in September by providing educational safety-themed materials, arming members with the tools to protect themselves on the job.

Forms

- > Revised agricultural and commercial representation forms to align with the plain-language content and branding changes previously applied to the residential forms.

Practice Advice

- > Expanded practice advising capacity by welcoming a full-time provincial practice advisor to the AREA team, to address member questions and increasing broker support.
- > Introduced *Practically Speaking*, a weekly blog answering trending practice questions from Alberta REALTORS® from a practical perspective.
- > Built a complete FINTRAC toolkit to provide members the resources they need to ensure ongoing compliance with FINTRAC regulations and audit requirements, including the ReallyTrusted app.



2. Advocate

ADVOCATE FOR STRONG REAL ESTATE ENVIRONMENT

AREA values the importance of real estate to Alberta's economy. AREA advocacy is REALTOR®-centric and member driven, focused on influencing provincial public policy and regulation in ways that protect and promote the real estate industry, REALTORS®, and their clients.

IN 2021, AREA:

Government of Alberta

- > Gathered volunteer leadership from across its member Boards/Associations, with the AREA Board of Directors and the AREA Political Action Committee (APAC) for an Industry Leaders Conference that focused on identifying and solidifying positions around changes to RECA Rules or government legislation that would reduce red tape for REALTORS® and improve profitability.
 - > Discussed with industry leaders advocating for RECA to remove Residential Measurement Standards in favour of assessor measurements. Moving forward, APAC will develop this position.
- > Shared the profitability story of REALTORS® in Alberta – who according to Statistics Canada experience +30% less profitability compared to our neighbouring provinces – with government and proposed solutions to increase profitability.
- > Reconvened in-person meetings and event sponsorships where safe to do so.
 - > We sponsored an outdoor political Stampede party, where AREA leadership and APAC members chatted with elected officials, building relationships.
 - > We were able to host in-person Government Liaison Days in November, where experts and players from across the political spectrum came to share their insights on advocacy, the campaign cycle, and political trends, including Premier Jason Kenney and Opposition MLA Shannon Phillips.
 - > We met with Hon. Travis Toews, Minister of Finance, and Hon. Tanya Fir, Associate Minister of Red Tape Reduction, to present our solutions to reduce red tape in Alberta real estate.
- > Started preparations for advocacy efforts in the ramp up for campaigns. We will again seek campaign promises on keeping Alberta free of land transfer taxes.

Real Estate Council of Alberta

- > Advocated for a fair byelection that adhered to the *Real Estate Act*, after attempts by RECA to bar the entry of an AREA member in the election.
- > Shared longstanding member concerns around RECA's purchase of an over-priced building and requested a forensic audit. RECA self-reported no issues.
- > Advanced our position that RECA does not regulate MLS® systems, allowing industry to implement its own solutions on pending sale disclosure.
- > Compiled joint submissions with our member Boards/Associations on the RECA education competencies for each category of real estate licensing, which we considered too prescriptive, with a lot of content outside of a regulatory scope.
- > Collaborated with our member Boards/Associations on an industry response for RECA's strategic planning exercise.
- > Achieved third-party course provider status from RECA for condominium management education in partnership with the Canadian Condominium Institute's (CCI) north and south Alberta chapters via a jointly owned consortium.

Member Advocate

- > Used our Member Advocacy Committee to protect member's rights in legal or regulatory processes that have provincial implications.

3. Shape

SHAPE THE TECHNOLOGICAL TRANSFORMATION OF THE REAL ESTATE INDUSTRY IN ALBERTA

AREA values the collective strength of its 11,000+ member voice. AREA will continue to push for improvements where possible, while respecting the integrity and responsibilities of the local Boards/Associations.

IN 2021, AREA:

- > Partnered with ReallyTrusted app to allow brokers to implement automated FINTRAC audit-compliant policies and procedures within their brokerages, benefiting all members at no extra cost.
- > Integrated interactive contract activities throughout the 2021 mandatory course, improving accessibility for members.

- > Live-streamed the Annual General Meeting and enabled digital voting to adhere to pandemic restrictions, seeing the highest attendance number in AREA's history. Plan to hold a live-streamed AGM again in January 2022.
- > Contracted Pillar9™ to modernize the Data Co-op platform, ensuring the read-only database access improves to reflect current technology, with launch in 2022.

Moving forward, AREA will evaluate more innovative technological solutions that benefit REALTORS® provincially – through cost or time saved – and will use the strength of its collective voice to negotiate favourable solutions for members.



“It’s very fulfilling to be part of a team that works hard to provide its members with tools to help complement the daily business of being a REALTOR®.”

—DAVID P. BROWN, AREA 2021 CHAIR-ELECT

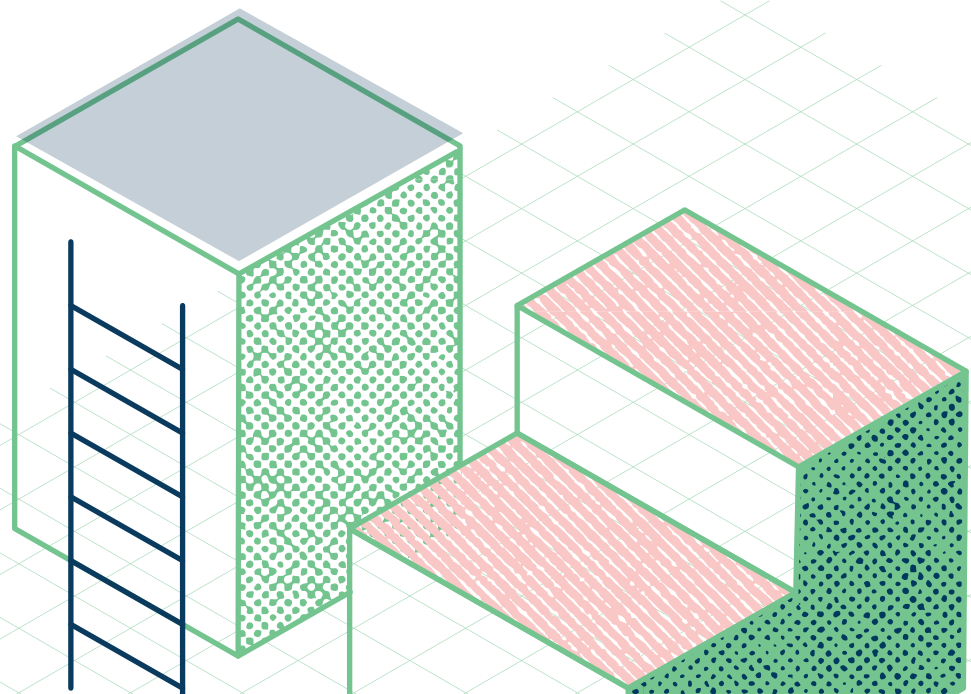
4. Support

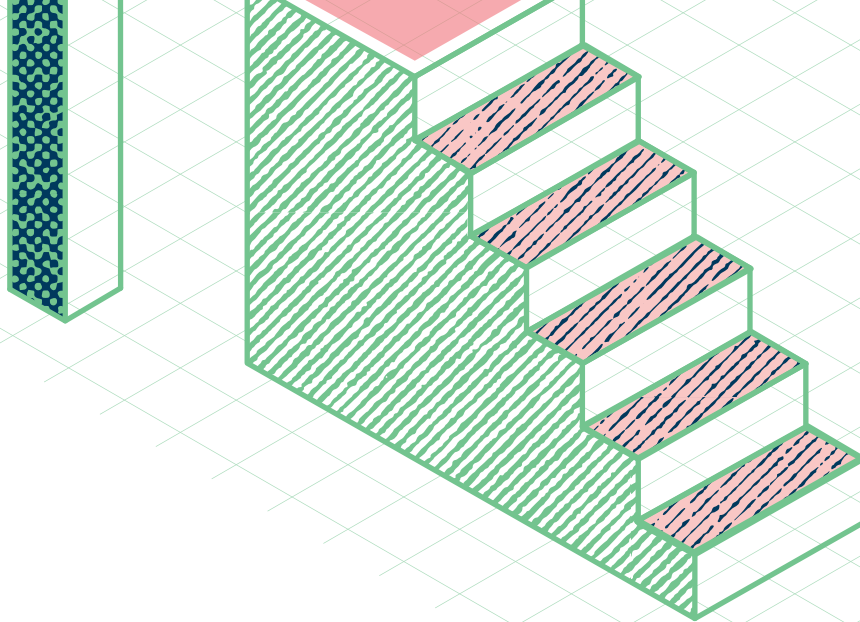
SUPPORT THE CONTINUED VIABILITY OF ORGANIZED REAL ESTATE

AREA values the fabric of organized real estate. AREA defines its role as uniquely provincial in scope – in harmony with local Boards and the national association. In this role, AREA facilitates cooperation among Alberta’s local Boards/Associations, while being the voice of Alberta REALTORS® with provincial stakeholders and providing provincial services.

IN 2021, AREA:

- > Provided executive officer & administrative services to the Lloydminster and South Central Alberta Boards. Taking this approach, Boards/Associations retain their decision-making, local voice and autonomy, while maintaining or reducing member fees. Fort McMurray transitioned onto these services in December 2021 and Grande Prairie is transitioning January 2022.
- > Facilitated the Rules Change Management Group (CMG) work to engage members via survey and make recommendations to mandate the disclosure of conditional/pending sales in the MLS® system. This change was ratified by all 10 local Boards/Associations for implementation in 2022.
- > Reconvened our annual Industry Leaders Conference to continue engagement with Boards/Associations across the province, ensuring all voices were heard. This year we focused on discussing ways to reduce red tape.





5. Ensure

ENSURE AREA'S FINANCIAL SUSTAINABILITY

AREA has demonstrated strong financial stewardship which has culminated in the \$50 reduction of member dues starting in 2022. Holding expenses since 2017, while introducing a suite of new core and optional member services has showcased AREA's ability to create efficiencies in operating infrastructure that enables dues savings for members. From the close of the last strategic plan in 2017 to the close of this strategic plan, AREA's revenues have almost doubled from ~\$4.4 to ~\$8.4 million. The impetus for the growth is non-dues revenue from AREA's subsidiary corporation whose focus is optional programs that save members money.

IN 2021, AREA:

- > Achieved operational success for a sustainable reduction of member dues by \$50, starting in 2022.
- > Saw a \$1.5 million increase to the investment portfolio.

- > Increased Data Co-op functionality and stability while maintaining expenses through a vendor change, launching in 2022.
- > Focused resources in areas that provided most member benefit; such as, saving brokers potential FINTRAC fines through the implementation of a FINTRAC Tool Kit, providing tools for brokers to mitigate risk through enhanced compliance support.
- > Had zero claims to the Commission Assurance Fund. The early reporting requirement and education have been essential in keeping a zero claims program.

Moving forward, AREA will maintain its focus on delivering high-caliber services, while delivering its sustainable dues reduction.

Member Advocacy

DESIGNED TO MAKE PRECEDENT-
SETTING CHANGE FOR MEMBERS

AREA is a voice for REALTORS® on matters of provincewide importance, such as precedent-setting legal challenges.

A committee of AREA's Board of Directors is responsible for administering the program, including determining the method of assistance provided to members on qualifying disciplinary hearings or legal challenges. Member requests are evaluated based on four primary questions and meetings are convened ad hoc.

- > Is the matter important to all REALTORS® in the province?
- > In the opinion of the committee, does the matter involve unfair treatment of a member?
- > Did the member demonstrate an attempt to rectify the problem on their own?
- > Does the assistance provided have a good probability of success?

IN 2021,

The Member Advocacy Program received 20 requests for support

- > 17 requests approved
- > 14 requests were to support the member appealing RECA's decision
- > We have supported members from 4 local Boards/Associations
- > Common thread in the cases: regulatory overreach
- > Currently have 11 open files (files run over fiscal years)



“Our Member Advocacy Program protects members who have been treated unfairly in legal or regulatory challenges, and I am proud to be a part of that.”

—MARC AUBIN, AREA DIRECTOR, 2021 MEMBER ADVOCACY COMMITTEE CHAIR

Nominating Committee

AREA's Nominating Committee is responsible for the Board of Directors application process, in accordance with AREA's Bylaws and policies. With one voting member from each of the five regions (Northern, Capital, Central, Foothills and Southern) and two non-voting members: a sitting AREA Director, who serves as Chair, and an external human resources expert. The Committee reviews all applications, interviews shortlisted candidates, and provides a recommended slate of candidates to be considered and ratified by the Board of Directors.

Committee Members



Jolene Ledene Reimer
Chair
AREA Director



D'Arcy Donald
Northern Region
Representative



Patrick Galesloot
Central Region
Representative



Brooklyn Kalista
Southern Region
Representative



Wendy Morrow
Foothills Region
Representative



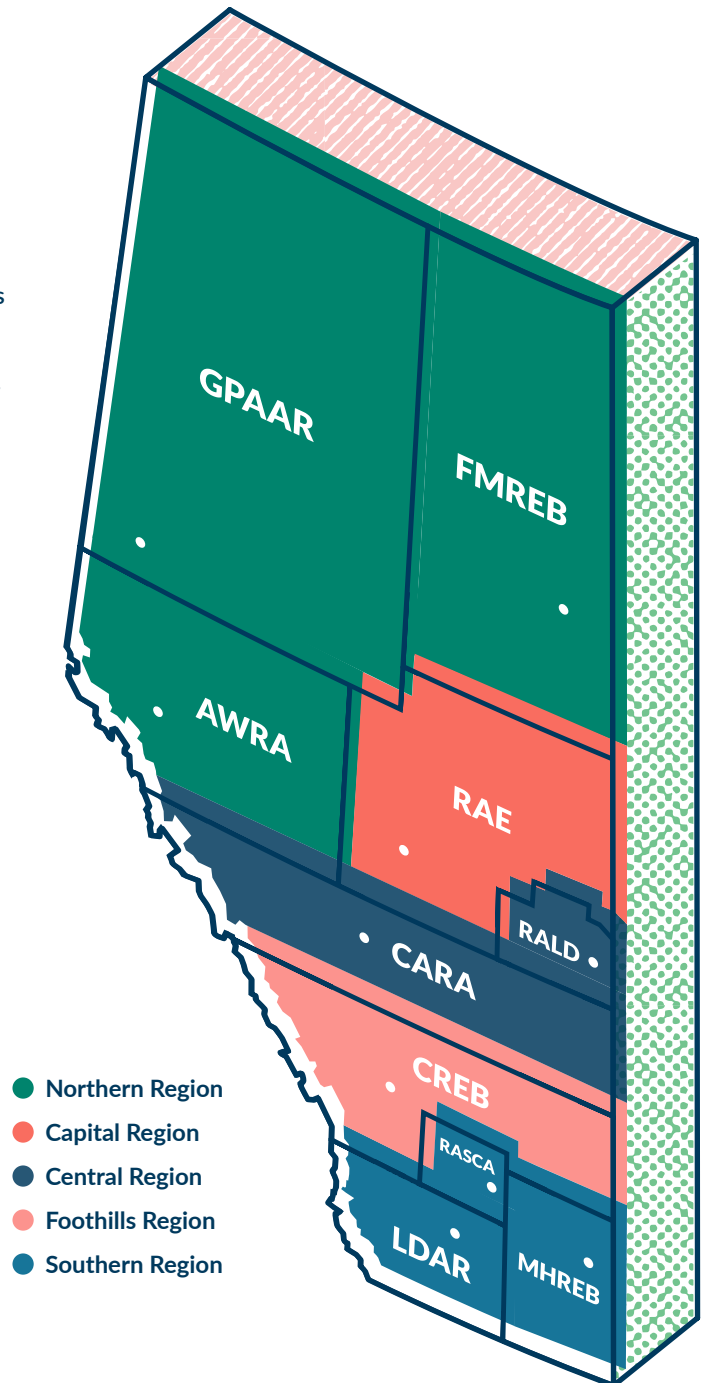
Reuben Tucker
Capital Region
Representative



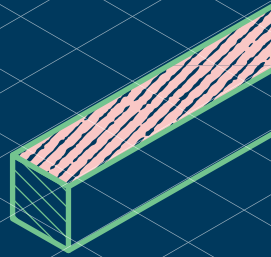
Barb Read
HR Consultant

Regional Representation

2021 marked the second year the AREA Board of Directors followed its updated governance model. In this model, AREA members are served by three directors-at-large, one public director, and five regional directors: Northern, Capital, Central, Foothills and Southern. The arm's length Nominating Committee vets candidates via an interview and selection process and proposes a slate for ratification by AREA members at the Annual General Meeting. More information on how to get involved is available on the AREA website.



Regional Boards



AREA's membership is comprised of all Alberta REALTORS®, who are also members of at least one of Alberta's 10 local real estate Boards/Associations. These Boards/Associations are key stakeholders for AREA. Together, AREA, each regional Board/Association and the Canadian Real Estate Association (CREA) form the foundation for organized real estate and work in tandem to uphold the integrity of the real estate industry.

● AWRA / Alberta West REALTORS® Association

157 Members
Executive Officer
Sandy Atfield
President
Sharon Hawboldt

● GPAAR / Grande Prairie & Area Association of REALTORS®

252 Members
Executive Officer
Karen Close
President
Chris Cline

● RALD / REALTORS® Assoc. of Lloydminster & District

73 Members
Executive Officer
Brad Mitchell
President
Chris Hassall

● CREB® / Calgary Real Estate Board

5,876 Members
Executive Officer
Alan Tennant
Chair
Lorna Hamm

● LDAR / Lethbridge and District Association of REALTORS®

364 Members
Executive Officer
Cathy Maxwell
President
John Guliker

● RASCA / REALTORS® Assoc. of South Central Alberta

49 Members
Executive Officer
Brad Mitchell
President
Todd Wallace

● CARA / Central Alberta REALTORS® Association

570 Members
Executive Officer
Larry Westergard
President
Lindsay Olver

● MHREB / Medicine Hat Real Estate Board

141 Members
Executive Officer
Randeem Bray
President
Frank Devine

● FMREB / Fort McMurray Real Estate Board

112 Members
Executive Officer
Olive Wooden
President
Katie Ekroth

● RAE / REALTORS® Association of Edmonton

3,741 Members
Interim Executive Officer
Allan Font
Chair
Tom Shearer

Management's Discussion and Analysis

ALBERTA ECONOMY

After a difficult 2020, Alberta's economy recovered faster than anticipated, with the province gaining 103,000 jobs since the start of 2021. The jobless rate has remained marginally higher than the national average, at 7.6 per cent in November 2021, versus 6.0 per cent nationally.

The pandemic has caused a shift in housing markets across the province. Prior to the pandemic, Alberta struggled with supply levels that exceeded the demand in the market causing median prices to decline throughout 2015 – 2019. In the early part of the pandemic, thanks to the abundant supply, the sudden rise in demand pushed the market from buyer's market conditions to balanced conditions and prices reported modest gains. As we moved into 2021, housing demand continued to rise reaching record levels. However, supply did not keep pace and tight housing market conditions resulted in annual double-digit price growth.

AREA members have mostly benefited from the 2021 housing market. In a heated market, AREA's members have less capacity to volunteer their time to association business, but they also rely more on AREA member services, such as AREA forms.

MEMBER BASE

AREA is a member-centric, member-driven organization and member dues are AREA's primary source of revenue. AREA membership grew eight per cent in 2021, significant growth compared to the past several years. Stable provincial membership remains a consistent and predictable revenue base on which management optimizes value provided to members. Based on assumptions that AREA will maintain its membership base, the AREA Board of Directors voted to reduce dues by 13 per cent in 2022 onward. In the unlikely event the organization faces a significant decrease in membership, the dues reduction will not be sustainable without limiting member services.

POLITICAL AND REGULATORY LANDSCAPE

The current provincial administration has suffered from a significant drop in popularity during the pandemic. In the months ahead, government will be looking for wins with stakeholders, which may allow AREA to advance our red tape reduction advocacy positions.

The Real Estate Council of Alberta (RECA), which regulates AREA members, is in the middle of a two-year transition to fully adopt changes to the Real Estate Act. With the focus on governance and leadership changes in the past year, there has been limited attention on the matters that affect REALTORS® day to day. We expect the focus to begin shifting in 2022. While the regulator has no jurisdiction over AREA, its actions directly affect our members and over-enforcement results in higher usage of our Member Advocacy Program dollars. The RECA Board of Directors continues to rely on advice, policy development and enforcement by legacy staff, which exposes our members to increased costs and red tape. AREA thinks significant changes are still required at RECA to restore public and licensee confidence in a properly functioning regulatory body and will continue to advocate to that end.

STRUCTURE OF ORGANIZED REAL ESTATE

In Alberta, REALTORS® are represented locally by their Board/Association, provincially by AREA and federally by the Canadian Real Estate Association (CREA). AREA focuses on matters of provincial scope or relevance, such as professional development, member services and standardized real estate forms. Because real estate is under provincial jurisdiction, AREA also focuses on advocacy work with the provincial government, the provincial regulator, and key stakeholders.

Since 2019, AREA has contracted executive and administrative services to member Boards who request assistance. In 2021, AREA offered these services to the REALTORS® Association of Lloydminster & District (RALD) and the REALTORS® Association of South Central Alberta (RASCA) on termed contracts, with the Fort McMurray Real Estate Board (FMREB) and Grande Prairie & Area Association of REALTORS® (GPAAR) on boarding in December 2021 and January 2022 respectively. Under management by AREA staff, RALD and RASCA have been able to decrease their operational costs while maintaining their Board autonomy and meeting CREA minimum Board standards. AREA operates these services on a cost-recovery basis and each Board maintains its own accounting, financial controls and yearly audits. The Boards/Associations under this arrangement pay AREA a service fee which ensures that members from other regions of the province are not subsidizing the operation of local Boards/Associations.

PILLAR9™

AREA remains a 10 per cent owner in Pillar9™, a jointly owned provincial MLS® system provider, which migrated nine Boards/Associations' data into one database in 2020. In addition to its voting rights, AREA holds approximately 35 per cent of the dividend shares on behalf all the members in the province. Risks are evaluated as minimal given the long history of successful MLS® system provision within the province.

OPERATIONAL SPENDING

AREA's management team continues to keep tight controls on operational cost and spending by exercising prudent oversight.

Some adjustments were made to the restricted reserve allocations: the Real Estate Act Review and Pillar9™ funds were closed because their projects were completed. The Member Services fund was also closed as a result of being unused for years, given management's direction to account for events and education in its annual operations budgeting.

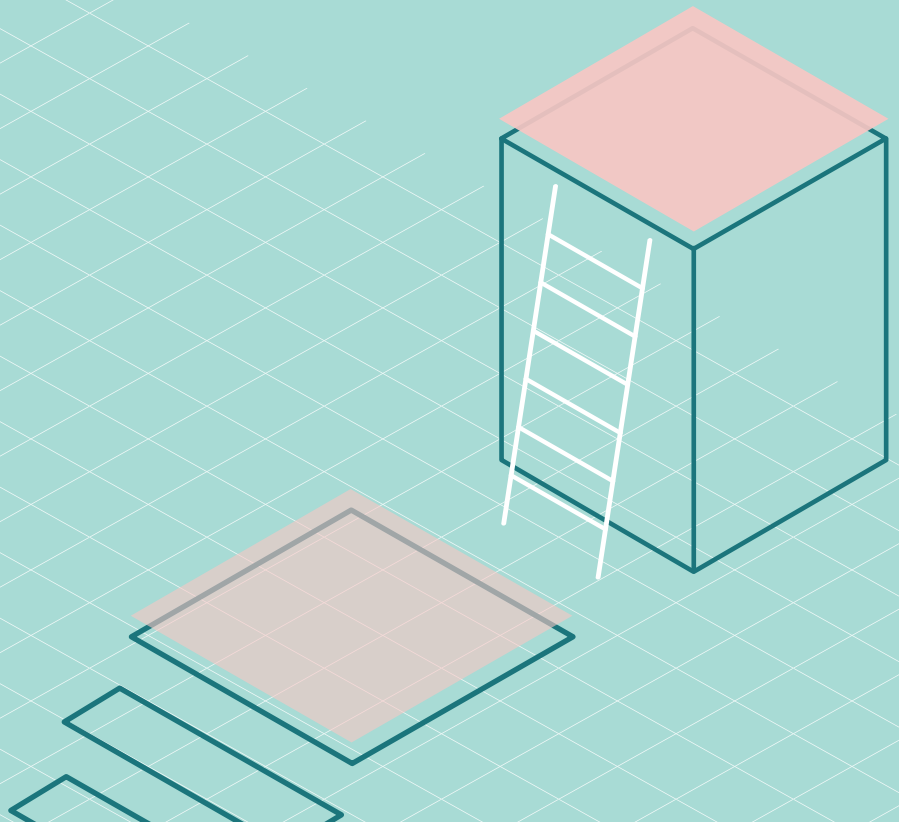
AREA maintains a member advocacy program that assists members when they are treated unfairly by governing authorities. The costs of the program are managed within AREA's budget and identified on AREA's financial statements. Predicting the future costs of the program is difficult as costs depend on the number of requests that meet the criteria for assistance and the complexity of the cases. The AREA board manages the costs based on AREA's financials. If the number and complexity of files increase beyond AREA's financial capacity there is no guarantee that this program can continue.

AREA SERVICES CORPORATION

In its fourth complete year of operations, AREA Real Estate Services Corporation has demonstrated the ability to fulfill its mandate as a wholly-owned, taxable entity.

The Services Corp Board is responsible for providing voluntary services to members and the real estate community. The services delivered include Area WIRELESS and commission advance. Services Corp is looking to expand its service offerings to include more programs from which members can derive a direct benefit. There is an inherent risk in developing new service offerings that are adopted voluntarily by our members. In every instance the Board minimizes the inherent risks associated with these programs. There is no guarantee AREA can maintain the current contracts with service providers. Further risks are detailed in the AREA Real Estate Services Corporation's financial statements.

Consolidated Financials



Consolidated Financials

COMBINED STATEMENT OF FINANCIAL POSITION

(Unaudited - See Notice To Reader)

	Operating Fund 2021	Assurance Fund 2021	TOTAL 2021	TOTAL 2020
ASSETS				
CURRENT				
Cash	\$1,669,930	\$210,195	\$1,880,125	\$1,928,263
Short-term investments	7,806,913	1,814,576	9,621,489	7,879,647
Accounts receivable	492,774	-	492,774	661,203
AREA Advance loans receivable	293,206	-	293,206	350,870
Frame loans receivable	13,892	-	13,892	-
Loans receivable	42,138	-	42,138	54,985
Government remittances	57,072	-	57,072	-
Prepaid expenses	182,103	-	182,103	202,941
Other current receivable	892,539	-	892,539	892,539
	11,450,567	2,024,771	13,475,338	11,970,448
PROPERTY AND EQUIPMENT (Net of accumulated amortization)	46,012	-	46,012	90,132
AREA WIRELESS DEVICE LOANS RECEIVABLE	124,859	-	124,859	134,890
DUE FROM REALTORS ASSOCIATION OF LLOYDMINSTER AND DISTRICT	91,544	-	91,544	-
INVESTMENT IN PILLAR9	433,865	-	433,865	433,865
	\$12,146,847	\$2,024,771	\$14,171,618	\$12,629,335
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	\$859,433	-	\$859,433	\$937,860
Income taxes payable	274	-	274	11,775
Government remittances	-	-	-	23,982
Deferred income	501,483	-	501,483	656,805
	1,361,190	-	1,361,190	1,630,422
DEFERRED INCOME	300,945	-	300,945	392,755
	1,662,135	-	1,662,135	2,023,177
NET ASSETS				
INVESTED IN CAPITAL ASSETS	46,012	-	46,012	90,132
ASSURANCE FUND	-	2,024,771	2,024,771	1,241,032
RESTRICTED FUND	7,383,649	-	7,383,649	7,235,003
UNRESTRICTED FUND	3,055,051	-	3,055,051	2,039,991
	10,484,712	2,024,771	12,509,483	10,606,158
	\$12,146,847	\$2,024,771	\$14,171,618	\$12,629,335

Consolidated Financials

COMBINED STATEMENT OF REVENUES AND EXPENDITURES

(Unaudited - See Notice To Reader)

	Operating Fund 2021	Assurance Fund 2021	TOTAL 2021	TOTAL 2020
REVENUES				
Memberships	\$4,857,964	-	\$4,857,964	\$3,286,212
Wireless revenue	3,433,406	-	3,433,406	3,244,909
Other revenue	286,564	-	286,564	214,274
	8,577,934	-	8,577,934	6,745,395
COST OF SALES	3,128,850	-	3,128,850	2,711,725
GROSS PROFIT	5,449,084	-	5,449,084	4,033,670
EXPENSES				
Salaries and wages	2,520,497	-	2,520,497	2,184,775
Office and administrative	1,010,878	-	1,010,878	836,435
Consulting and professional fees	895,809	-	895,809	752,850
Meetings and travel	175,270	-	175,270	293,697
Amortization	44,759	-	44,759	45,640
Bad debts	15,744	-	15,744	1,122
	4,662,957	-	4,662,957	4,114,519
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	786,127	-	786,127	(80,849)
OTHER INCOME				
Unrealized gains (losses) on short-term investments	690,056	589,011	1,279,067	(310,993)
Investment income	275,253	4,793	280,046	224,740
Write-down of capital assets	(7,260)	-	(7,260)	-
Severance and restructuring expense	(53,656)	-	(53,656)	-
Licensing education fund	(141,291)	-	(141,291)	-
Member advocacy fund	(239,436)	-	(239,436)	(69,756)
Realized gains on disposal of investments	-	-	-	9,080
Commission assurance fund	-	-	-	(140,245)
Real estate act review	-	-	-	(247,838)
	523,666	593,804	1,117,470	(535,012)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE INCOME TAXES	1,309,793	593,804	1,903,597	(615,861)
INCOME TAXES	274	-	274	31,202
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$1,309,519	\$593,804	\$1,903,323	\$(647,063)

Consolidated Financials

COMBINED STATEMENT OF CHANGES IN NET ASSETS

(Unaudited - See Notice To Reader)

	Invested in Capital Assets 2021	Assurance Fund 2021	Restricted Fund 2021	Unrestricted Fund 2021	TOTAL 2021	TOTAL 2020
NET ASSETS beginning of year	\$90,132	\$1,241,032	\$7,235,003	\$2,039,993	\$10,606,160	\$11,253,223
Excess of revenues over expenses	-	593,804	(380,727)	1,690,246	1,903,323	(647,063)
Investment in capital assets	7,900	-	-	(7,900)	-	-
Amortization of capital assets	(44,760)	-	-	44,760	-	-
Write-down of capital assets	(7,260)	-	-	7,260	-	-
Transfers	-	189,935	529,373	(719,308)	-	-
NET ASSETS end of year	\$46,012	\$2,024,771	\$7,383,649	\$3,055,051	\$12,509,483	\$10,606,160

Notice to Reader:

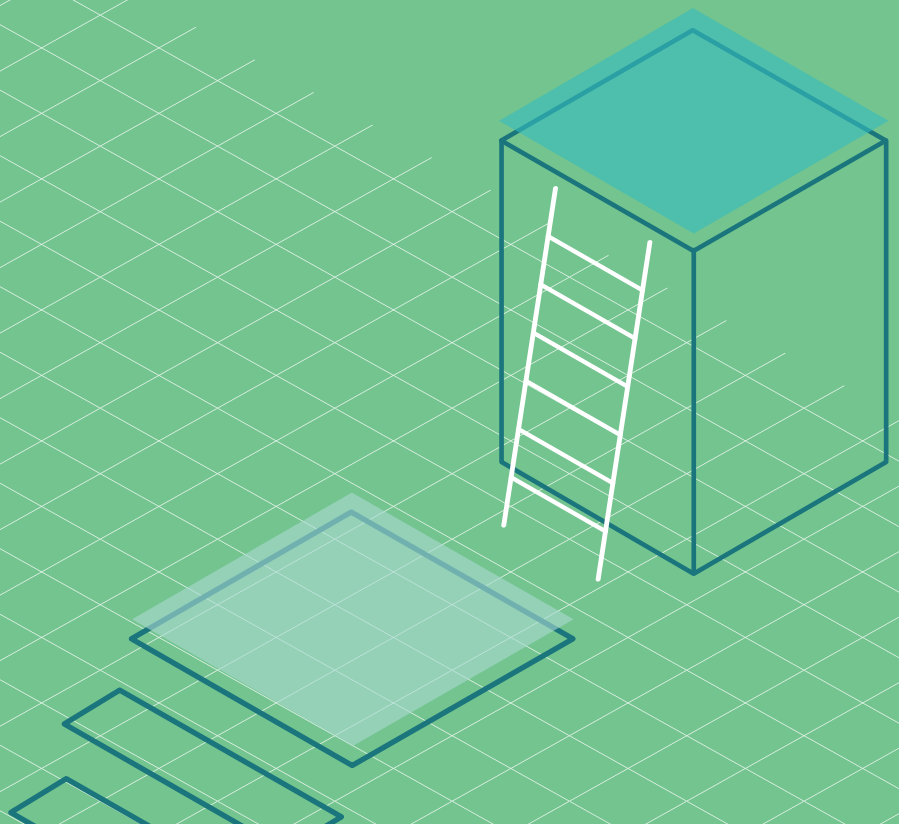
On the basis of information provided by management, I have compiled the combined statement of financial position of Alberta Real Estate Association (Consolidated) as at October 31, 2021 and the combined statements of revenues and expenditures and changes in net assets for the year then ended. I have not performed an audit or a review engagement in respect of these financial statements and, accordingly, I express no assurance thereon. Readers are cautioned that these combined statements may not be appropriate for their purposes.



Calgary, Alberta
December 20, 2021

DIANA HANEVELT PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANT

Alberta Real Estate Association Financials



Independent Auditor's Report

To the Members of Alberta Real Estate Association

Opinion

I have audited the financial statements of Alberta Real Estate Association (the association), which comprise the statement of financial position as at October 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the association as at October 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNFO).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the association in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNFO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the association's financial reporting process.



CZECHOWSKY, GRAHAM & HANEVELT
CHARTERED PROFESSIONAL ACCOUNTANTS
• AN ASSOCIATION OF PROFESSIONAL PRACTICES •

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

DIANA HANEVELT PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANT
Calgary, Alberta. December 20, 2021.

	Operating Fund 2021	Assurance Fund 2021	TOTAL 2021	TOTAL 2020
ASSETS				
CURRENT				
Cash and cash equivalents	\$970,148	210,195	\$1,180,343	\$1,251,537
Short-term investments (Note 4)	7,806,913	1,814,576	9,621,489	7,879,647
Accounts receivable	196,967	-	196,967	327,969
Government remittances	12,275	-	12,275	-
Prepaid expenses	181,134	-	181,134	202,528
Due from AREA Real Estate Services Corporation (Note 5)	105,452	-	105,452	19,799
Other current receivable	892,539	-	892,539	892,539
	10,165,428	2,024,771	12,190,199	10,574,019
PROPERTY AND EQUIPMENT (Note 6)	46,012	-	46,012	90,132
DUE FROM REALTORS ASSOCIATION OF LLOYDMINSTER AND DISTRICT	91,544	-	91,544	-
INVESTMENT IN SUBSIDIARY (Note 7)	561,536	-	561,536	559,736
INVESTMENT IN PILLAR9 (Note 8)	433,865	-	433,865	433,865
	\$11,298,385	\$2,024,771	\$13,323,156	\$11,657,752
LIABILITIES				
CURRENT				
Accounts payable (Note 9)	\$836,127	-	\$836,127	\$916,411
Government remittances	-	-	-	59,797
Deferred income	-	-	-	97,838
	836,127	-	836,127	1,074,046
NET ASSETS				
INVESTED IN CAPITAL ASSETS	46,012	-	46,012	90,132
COMMISSION ASSURANCE FUND	-	2,024,771	2,024,771	1,321,032
RESTRICTED FUND	7,383,649	-	7,383,649	7,235,003
UNRESTRICTED FUND	3,032,597	-	3,032,597	1,937,539
	10,462,258	2,024,771	12,487,029	10,583,706
	\$11,298,385	\$2,024,771	\$13,323,156	\$11,657,752

APPROVED ON BEHALF OF THE BOARD:



CHAIR



CEO

	Operating Fund 2021	Assurance Fund 2021	TOTAL 2021	TOTAL 2020
REVENUES				
Membership fees	\$4,857,964	-	\$4,857,964	\$3,286,215
Other revenue	197,969	-	197,969	121,166
Education	4,733	-	4,733	11,978
	5,060,666	-	5,060,666	3,419,359
EXPENSES				
Salaries and benefits	2,241,710	-	2,241,710	1,920,640
Professional fees	450,577	-	450,577	277,477
Consulting	428,855	-	428,855	445,147
General and administrative	398,937	-	398,937	282,280
Rent and operating costs	278,248	-	278,248	306,809
Education	129,233	-	129,233	118,974
Conferences and events	127,364	-	127,364	179,187
Provincial administration justice program	99,873	-	99,873	79,995
Meetings and travel	47,907	-	47,907	112,044
REALTOR and family assistance program	29,150	-	29,150	15,075
	4,231,854	-	4,231,854	3,737,628
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE INVESTMENT INCOME & OTHER ITEMS	828,812	-	828,812	(318,269)
INVESTMENT INCOME				
Unrealized gains (losses) on short-term investments	690,056	589,011	1,279,067	(310,993)
Investment income	275,253	4,793	280,046	224,740
Equity income (loss) from subsidiary	1,799	-	1,799	228,705
Realized gains on disposal of investments	-	-	-	9,080
	967,108	593,804	1,560,912	151,532

	Operating Fund 2021	Assurance Fund 2021	TOTAL 2021	TOTAL 2020
OTHER ITEMS				
Member advocacy fund	239,436	-	239,436	69,756
Licensing education fund	141,291	-	141,291	-
Severance and restructuring	53,656	-	53,656	-
Amortization of capital assets	44,759	-	44,759	45,640
Write-down of capital assets	7,260	-	7,260	-
Real estate act review	-	-	-	247,838
Commission assurance fund	-	-	-	140,245
	486,402	-	486,402	503,479
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR	\$1,309,518	\$593,804	\$1,903,322	\$(670,216)

CHANGES IN NET ASSETS

	Invested in Capital Assets 2021	Commission Assurance Fund 2021	Restricted Fund 2021	Unrestricted Fund 2021	TOTAL 2021	TOTAL 2020
NET ASSETS beginning of year	\$90,132	\$1,241,032	\$7,235,003	\$2,017,539	\$10,583,706	\$11,253,922
Excess of revenues over other items	-	593,804	(380,727)	1,690,246	1,903,323	(670,216)
Investment in capital assets	7,900	-	-	(7,900)	-	-
Amortization of capital assets	(44,760)	-	-	44,760	-	-
Write-down of capital assets	(7,260)	-	-	7,260	-	-
Transfers	-	189,935	529,373	(719,308)	-	-
NET ASSETS end of year	\$46,012	\$2,024,771	\$7,383,649	\$3,032,597	\$12,487,029	\$10,583,706

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over other items	\$1,903,322	\$(670,216)
Items not affecting cash:		
Amortization of capital assets	44,759	45,640
Write-down of capital assets	7,260	-
Equity income from subsidiary	(1,799)	(228,705)
Unrealized losses on restricted investments	(589,011)	-
Unrealized (gains) losses on unrestricted investments	(690,056)	310,993
Gain on disposal of investments	-	(9,080)
	674,475	(551,368)
Changes in non-cash working capital:		
Accounts receivable	131,003	(200,176)
Interest receivable	(1,082)	3,128
Government remittance	(72,072)	63,233
Prepaid expenses	21,394	11,604
Accounts payable	(80,283)	123,885
Deferred income	(97,838)	94,921
	(98,878)	96,595
Cash flow from (used by) operating activities	575,597	(454,773)
INVESTING ACTIVITIES		
Purchase of capital assets	(7,900)	(4,345)
(Increase) decrease in short-term investments	(461,694)	266,623
Advances (to) from subsidiary	(85,653)	5,188
Advances (to) Realtors Association of Lloydminster and District	(91,544)	-
Loan repayment from Pillar9	-	400,000
Investment in Pillar9	-	(423,865)
Cash flow (used by) from investing activities	(646,791)	243,601
DECREASE IN CASH FLOW	(71,194)	(211,172)
Cash - beginning of year	1,251,537	1,462,709
CASH - END OF YEAR	\$1,180,343	\$1,251,537
Cash	\$640,377	\$317,842
Cash and cash equivalents included in short-term investments	539,966	933,695
	\$1,180,343	\$1,251,537

Alberta Real Estate Association

NOTES TO FINANCIAL STATEMENTS

1. INCORPORATION AND PURPOSE OF THE ASSOCIATION

Alberta Real Estate Association (the "association") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. The association is exempt from income taxes in accordance with Section 149 of the Income Tax Act. The association's members are Alberta REALTORS® and real estate boards. The association's purpose is to represent the real estate interest of its members, enhance their professionalism, competency and profitability and to advocate for regulatory and governmental policies that support and protect the real estate profession and the public that its members serve.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund accounting. Alberta Real Estate Association follows the deferral method of accounting for contributions, and fund accounting. The Assurance Fund reports the assets, liabilities, revenue and expenses related to the operations of the Assurance Fund. AREA maintains a commission assurance fund to assist members when their commissions are unpaid by their broker. The Operating Fund reports the assets, liabilities, revenues, and expenses for all other areas, including the internally restricted funds as disclosed in note 11.

Cash and cash equivalents. Cash includes cash and cash equivalents.

Financial instruments policy. The association initially measures its financial assets and liabilities at fair value, except when applicable, for certain related party transactions that are measured at the carrying amount or exchange amount. The association subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in marketable securities, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in income in the period incurred. Financial assets measured at amortized cost on a straight-line basis include cash, short term investments, accounts receivable, other current receivables, and due from related parties. Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities, and due to related parties. Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in income over the life of the instrument using the straight-line method. For financial assets measured at cost or amortized cost, the association determines whether there are indications of possible impairment. When there is an indication of impairment, and the association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. A previously recognized impairment loss may be reversed. The carrying amount of the

financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Foreign currency translation. The association holds assets denominated in foreign currencies that are translated at the prevailing rates of exchange at the balance sheet date with realized and unrealized exchange gains and losses included in revenues over expenditures. The association does not use derivative financial instruments to mitigate its exposure to foreign currency risk.

Investment in Subsidiary. The association accounts for its wholly owned subsidiary AREA Real Estate Services Corporation using the equity method.

Capital assets. Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

- Information technology: 5 years straight-line method
- Office furnishings: 5 years straight-line method
- Office equipment: 3 years straight-line method

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Impairment of Long-Lived Assets. Long-lived assets consist of capital assets. The association performs impairment testing on long lived assets held for use whenever events or circumstances indicate that the carrying value of an asset may not be recoverable. Impairment losses are recognized when undiscounted cash flows from its use and disposal are less than its carrying value. Impairment is measured as the amount by which the carrying value exceeds its fair value and is included in the statement of operations for the period. Management was not aware of any impairment to its long-lived assets that would have a material effect on the financial statements.

Revenue recognition. The association follows the deferral method of accounting for revenues. Externally restricted funds received are deferred and recorded in the statement of operations in the period which the related expenses are incurred. All other revenue is unrestricted and recognized in the period received.

Use of Estimates. The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are recorded in the statement of operations in the period in which they become known. The valuation of the allowance for doubtful accounts and the estimated useful life of the capital assets are the most significant financial statement items that involve the use of estimates.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of cash and cash equivalents, fixed income funds, Canadian, U.S. and foreign equity securities as follows:

	2021 Cost	2021 Market value	2020 Cost	2020 Market value
OPERATING FUND SHORT-TERM INVESTMENTS				
Cash and cash equivalents	\$329,772	\$329,772	\$933,694	\$933,695
Fixed Income				
Canadian	1,988,952	2,029,589	2,788,193	2,914,883
U.S.	715,938	737,068	715,938	759,858
Foreign	155,150	153,957	155,150	157,441
	2,860,040	2,920,614	3,659,281	3,832,182
Equity				
Canadian	1,625,549	3,087,832	1,584,288	2,347,879
U.S.	499,346	1,282,149	572,574	1,291,412
Foreign	388,177	516,318	319,758	408,174
	2,513,072	4,886,299	2,476,620	4,047,465
	\$5,373,112	\$7,806,913	\$6,135,901	\$7,879,647
ASSURANCE FUND SHORT-TERM INVESTMENTS				
Cash and cash equivalents	\$210,195	\$210,195	-	-
Fixed Income				
Canadian	604,525	592,812	-	-
Equity				
Canadian	404,984	769,744	-	-
U.S.	118,863	322,775	-	-
Foreign	97,193	129,245	-	-
	621,040	1,221,764	-	-
	\$1,225,565	\$1,814,576	-	-

5. DUE FROM RELATED PARTIES

	2021	2020
Due from AREA Services Corporation (subsidiary)	\$105,452	\$19,799

Advances from a related association are non-interest bearing and are repaid quarterly.

6. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Equipment	\$10,034	\$6,822	\$3,212	\$8,110
Information technology	85,445	48,334	37,111	66,820
Office furnishings	40,578	34,889	5,689	15,202
	\$136,057	\$90,045	\$46,012	\$90,132

7. INVESTMENT IN SUBSIDIARY

The association has an investment in a wholly-owned taxable entity called the AREA Real Estate Services Corporation ("the Company"). The Company was set up as a taxable entity in order to be able to provide programs that are integral to members' businesses at a cost savings to them and not risk AREA's not-for-profit status.

At October 31, 2021, the financial statements of the subsidiary company consisted of:

	2021	2020
Total assets	\$1,515,449	\$1,586,933
Total liabilities	931,470	1,004,753
Equity	583,979	582,180
Revenue	3,517,268	3,326,038
Expenses	3,515,469	3,074,180

8. INVESTMENT IN PILLAR9™

The association has invested in Alberta One Realty Listing Services Inc. (operating as Pillar9™), an entity established to operate a single Multiple Listing Service to serve the REALTOR® members of the ten foundation real estate Boards/Associations in the province of Alberta. The investment consists of 10,000 Class A Common Shares. During the year, the organization incurred \$nil (2020- \$nil) of expenditures relating to the development of this initiative.

	2021
10,000 Class A Common Shares	\$10,000
423,860 Class C Common Non-Voting Shares	423,865
	\$433,865

9. CORPORATE CREDIT CARDS

The association has corporate Visa credit cards with a combined credit limit of \$102,000 (2020 - \$102,000). Included in accounts payable and accrued liabilities is the combined outstanding amounts on these credit cards of \$10,462 (2020- \$16,842).

10. LEASE COMMITMENTS

The association has commitments under various operating leases for office space and office equipment, expiring between April 2022 and May 2027 as follows:

2022	2023	2024	2025	2026	THEREAFTER
\$245,903	\$259,724	\$259,724	\$259,724	\$259,724	\$151,505

11. RESTRICTED NET ASSETS

At October 31, 2021, the association has internally restricted net assets to be used for the purposes and amounts as follows:

Member Services. The association allocated funds to host events and to provide access to education resources for its members. The balance available is \$nil (2020- \$148,818). The Board approved the closure of this fund. Any remaining balance was transferred back to the unrestricted fund.

Business Continuity. The association has allocated funds to support its ongoing operations as a result of the loss of a major revenue stream and to address cash flow fluctuations throughout the year. The balance available is \$6,780,923 (2020- \$6,780,923).

Real Estate Act Review. The association allocated funds for fees associated with this initiative. The balance available is \$nil (2020- \$5,674). The Board approved the closure of this fund. Any remaining balance was transferred back to the unrestricted fund.

Member Advocacy Fund. The association maintains funds for the work undertaken by the Member Advocacy Committee. The balance available is \$494,017 (2020- \$233,453).

PILLAR9 Fund. During the year, the association allocated funds for implementation of PILLAR9. The balance available is \$nil (2020- \$66,135). The Board approved the closure of this fund. Any remaining balance was transferred back to the unrestricted fund.

Licensing Education Fund. During the year, the association allocated funds for the development of licensing education programs as a result of the Government of Alberta's direction for RECA to divest themselves from delivering licensing education. The balance available is \$108,709 (2020- \$nil).

12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

13. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of October 31, 2021.

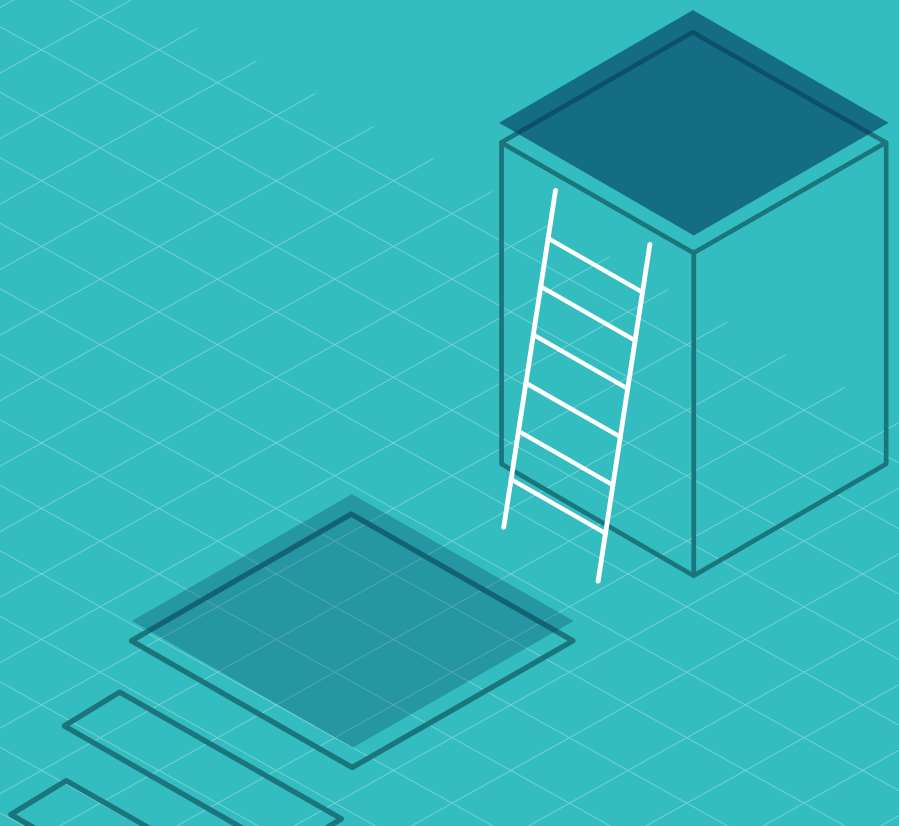
Market risk. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The association's investments in publicly traded securities expose them to market risk as such investments are subject to price changes in the open market. The association does not use derivative financial instruments to mitigate its exposure to market risk.

Currency risk. Currency risk is the risk to the association's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The association enters into foreign currency purchase and sale transactions and has assets that are denominated in foreign currencies and thus is exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. The association does not use derivative financial instruments to mitigate its exposure to currency risk. Unless otherwise noted, it is management's opinion that the association is not exposed to significant other price risks arising from these financial instruments.

14. CAPITAL MANAGEMENT

The association's goal in managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide services to its members. To accomplish this goal, protocols have been established to preserve the financial condition of the association and protect its assets by annual development and approval of zero-based capital and operating budgets and by setting limits on the investment of funds. During the year, the Board meets with Management regularly to review the association's financial position.

Alberta Real Estate Services Corporation Financials



Independent Auditor's Report

To the Shareholders of
Alberta Real Estate Services Corporation

Opinion

I have audited the financial statements of AREA Real Estate Services Corporation (the Company), which comprise the balance sheet as at October 31, 2021, and the statements of income and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2021, and the results of its operations and cash flow for the year then ended in accordance with Canadian accounting standards for private enterprises (ASPE).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



DIANA HANEVELT PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANT
Calgary, Alberta. December 20, 2021.



	2021	2020
ASSETS		
CURRENT		
Cash	\$699,781	\$676,726
Accounts receivable (Note 4)	295,807	333,234
AREA Advance loans receivable	293,206	350,870
Frame loans receivable	13,892	-
Area WIRELESS device loans receivable - current (Note 5)	42,138	54,985
Government remittances	44,797	35,815
Prepaid expenses	969	413
	1,390,590	1,452,043
AREA WIRELESS DEVICE LOANS RECEIVABLE (Note 5)	124,859	134,890
	\$1,515,449	\$1,586,933
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$23,316	\$21,457
Income taxes payable (Note 6)	274	11,775
Deferred revenue - AREA advance (Note 7)	5,086	-
Deferred revenue - Frame (Note 8)	209	-
Deferred revenue - vendor incentives (Note 9)	496,188	558,967
Due to Alberta Real Estate Association (Note 10)	105,452	19,799
	630,525	611,998
DEFERRED REVENUE - VENDOR INCENTIVES (Note 9)	300,945	392,755
	931,470	1,004,753
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 11)	10	10
RETAINED EARNINGS	583,969	582,170
	583,979	582,180
	\$1,515,449	\$1,586,933

APPROVED ON BEHALF OF THE BOARD:



CHAIR



CEO

	2021	2020
REVENUES		
Area WIRELESS- plan rates and charges	\$3,433,406	\$3,244,909
AREA Advance - interest	79,168	27,657
Frame - interest	2,556	-
PST recoverable	2,138	53,472
	3,517,268	3,326,038
COST OF SALES		
Area WIRELESS - plan fees	3,095,770	2,691,546
AREA Advance - administration fees	32,138	20,179
Frame - administration fees	942	-
	3,128,850	2,711,725
GROSS PROFIT	388,418	614,313
EXPENSES		
Salaries and benefits	278,787	264,135
General and administration	57,496	13,470
Professional fees	16,377	30,227
Bad debts - Area WIRELESS	13,937	1,122
Advertising and promotion	13,125	7,357
Insurance	3,414	1,613
Bad debts - AREA advance	1,807	-
Interest and bank charges	1,402	1,415
Business development	-	9,448
Meetings and travel	-	2,466
	386,345	331,253
INCOME		
INCOME BEFORE INCOME TAXES	2,073	283,060
INCOME TAXES (Note 6)	274	31,202
NET INCOME	1,799	251,858
RETAINED EARNINGS - BEGINNING OF YEAR	582,170	330,312
RETAINED EARNINGS - END OF YEAR	\$583,969	\$582,170

	2021	2020
OPERATING ACTIVITIES		
Net income	\$1,799	\$251,858
Changes in non-cash working capital:		
Accounts receivable	81,199	(279,164)
Wireless device loans receivable	22,878	28,505
Prepaid expenses	(556)	(38)
Government remittances	(8,982)	(36,718)
Accounts payable and accrued liabilities	1,859	(220,368)
Income taxes payable	(11,501)	(8,031)
Deferred revenue - vendor incentives	(149,294)	(67,410)
	(64,397)	(583,224)
Cash flow (used by) operating activities	(62,598)	(331,366)
FINANCING ACTIVITY		
Advances from (to) related parties	85,653	(5,188)
INCREASE (DECREASE) IN CASH FLOW	23,055	(336,554)
Cash - beginning of year	676,726	1,013,280
CASH - END OF YEAR	\$699,781	\$676,726

Alberta Real Estate Services Corp

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF OPERATIONS

AREA Real Estate Services Corporation (the "Company") is incorporated provincially under the Business Corporations Act of Alberta. The Company is a wholly-owned subsidiary of the Alberta Real Estate Association, which is a not-for-profit organization, incorporated under the Societies Act of Alberta. The Company was set up as a taxable entity in order to be able to provide programs that are integral to members' businesses at a cost savings to them and not risk AREA's not-for-profit status.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for private enterprises (ASPE).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents. Cash includes cash & cash equivalents.

Financial instruments policy. The Company initially measures its financial assets and liabilities at fair value, except when applicable, for certain related party transactions that are measured at the carrying amount or exchange amount. The Company subsequently measures all its financial assets and liabilities at cost or amortized cost. Changes in the fair value of these financial instruments are recognized in income in the period incurred. Financial assets measured at amortized cost on a straight-line basis include cash, accounts receivable, due from related parties, loans receivable, and long-term loan and notes receivable. Financial liabilities measured at amortized cost on a straight-line basis include accounts payable, accrued liabilities, and due to related parties. Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in income over the life of the instrument using the straight-line method. For financial assets measured at cost or amortized cost, the Company determines whether there are indications of possible impairment. When there is an indication of impairment, and the Company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. A previously recognized impairment loss may be reversed. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Revenue recognition. Wireless revenue is recognized in the period that the service was provided. Interest on advances are recognized when the contract is complete. Vendor incentives are recognized into revenue over a three year period. All other revenue is recognized when received.

Income taxes. The Company uses the income taxes payable method of accounting for income taxes. Under this method, the Company reports as an expense (income) of the period only the cost (benefit) of current income taxes determined in accordance with the rules established by taxation authorities.

Use of Estimates. The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are recorded in the statement of earnings in the period in which they become known. The valuation of the allowance for doubtful accounts is the most significant financial statement item that involves the use of estimates.

4. ACCOUNTS RECEIVABLE

	2021	2020
Accounts Receivable	\$309,744	\$333,234
Allowance for Doubtful Accounts	(13,937)	-
	\$295,807	\$333,234

5. AREA WIRELESS DEVICE LOANS

The Company offers device loans as a retention and growth strategy for the Area WIRELESS Plan. The loan allows the member to acquire a new wireless device and the value of the loan is then amortized into wireless expense over the twenty-four month term of the wireless device loan contract.

	2021	2020
Opening balance	\$189,875	\$218,380
Area WIRELESS device loans approved in the year	138,845	282,351
Device loans collected	(161,723)	(310,856)
	166,997	189,875
Portion of device loans to be collected in the next year	(42,138)	(54,985)
Portion of device loans to be collected in subsequent years	\$124,859	\$134,890

Alberta Real Estate Services Corp

NOTES TO FINANCIAL STATEMENTS

6. INCOME TAXES

The income tax provision recorded differs from the income tax obtained by applying the statutory income tax rate of 55.14% (2020 - 47.59%) to the income for the year and is reconciled as follows:

	2021	2020
Income before income taxes	\$2,073	\$283,060
Income tax expense at the combined basic federal and provincial tax rate:	\$1,143	\$134,708
Decrease resulting from:		
Small business deduction	(621)	(75,150)
Federal Tax Abatement	(248)	(28,356)
Effective tax expense	\$274	\$31,202

7. AREA ADVANCE

AREA Advance is a commission lending program in partnership with AREA Broker members. The Company provides advances with interest which is prepaid. The interest is deferred and recognized into revenue as it is earned.

	2021	2020
Deferred revenue - AREA advance	\$5,086	-

8. FRAME ADVANCES

Frame is a commission lending program available to REALTORS® outside of Alberta. The Company provides advances with interest which is prepaid. The interest is deferred and recognized into revenue as it is earned.

	2021	2020
Deferred revenue - Frame	\$209	-

9. VENDOR INCENTIVES

The Company receives incentives from the Area WIRELESS service provider according to the contract terms. The credits are then amortized into revenue over a three year period.

	2021	2020
Opening balance	\$951,722	\$1,019,131
Activation credits received in the year	479,956	399,523
Activation credits recognized in revenue	(634,545)	(466,932)
	797,133	951,722
Portion of activation credit to be recognized in the next year	(496,188)	(558,967)
Portion of activation credits to be recognized in subsequent years	\$300,945	\$392,755

10. DUE TO RELATED PARTIES

The amount due to Alberta Real Estate Association does not bear interest and is repaid quarterly. Transactions with the Alberta Real Estate Association were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration negotiated and agreed to by the parties.

11. SHARE CAPITAL

	2021	2020
1,000 Class A Common Voting Shares	\$10	\$10

12. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

13. FINANCIAL INSTRUMENTS

The Company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Company's risk exposure and concentration as of October 31, 2021.

The Company manages its exposure to the risks associated with financial instruments that have potential to affect its operating and financial performance. Management does not believe that the Company is exposed to any significant interest rate, currency, market, liquidity or other price risk.

Credit risk. The Company is exposed to credit risk with respect to its accounts receivable through the following programs:

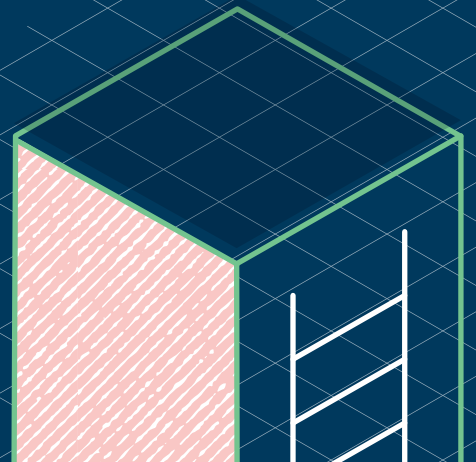
- Credit risk for the Area WIRELESS program arises when the Company pays the wireless account for its members and awaits the members to pay their wireless bill. In order to reduce this credit risk, the Company has policies in place, such as the requirement to have credit cards on file to automate bill payment and collection policies on unpaid accounts to mitigate risk. In addition, the Company maintains provisions for potential credit losses. Any losses incurred to date have been within management's expectations.
- Credit risk for the commission lending programs (AREA Advance and Frame), is the risk of default on loans made to REALTORS® when advancing commissions on transactions. Risk is mitigated by management policies that obligate multiple parties to repay the loan, limiting the maximum amount of the loans, and the maximum amount that the Company can have outstanding. To date there have been no default on any loans.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant other price risks arising from these financial instruments.



“The AREA Board is committed to doing the right thing even if it is hard. Honest, strategic, high-level leadership.”

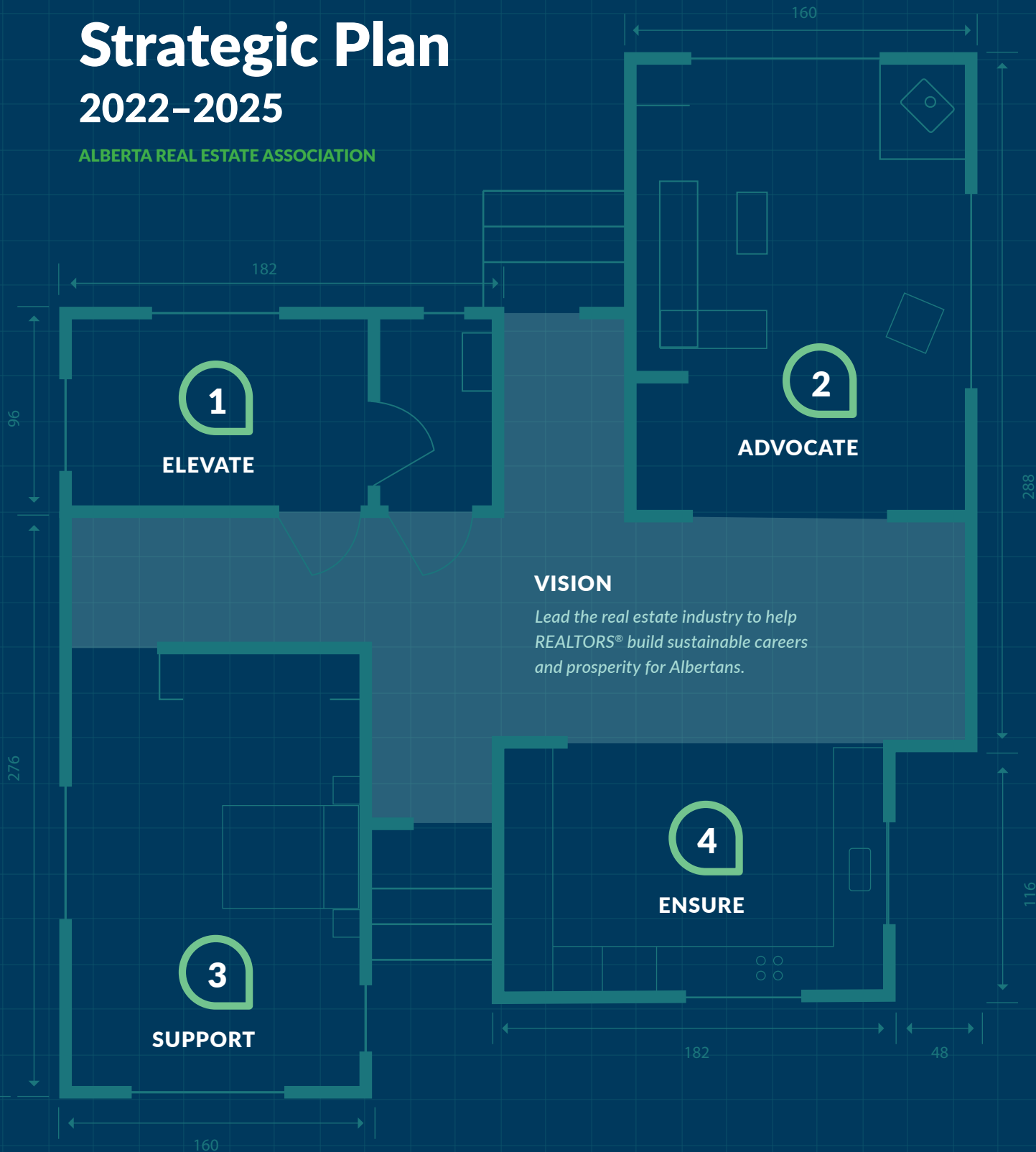
—JENNIFER GILBERT, AREA DIRECTOR





Strategic Plan 2022-2025

ALBERTA REAL ESTATE ASSOCIATION



Our Vision

Lead the real estate industry to help REALTORS® build sustainable careers and prosperity for Albertans.

For 75 years, AREA has served as the provincial voice for REALTORS®, driving professionalism and advancing real estate as an industry. The AREA Board of Directors is proud to present this 2022–2025 strategic plan as a continuation of AREA's longstanding vision, updated for the challenges and opportunities AREA members face today.

1. Elevate

the professional excellence of REALTORS®

AREA values the reputation of REALTORS®. Professional development, forms provision, and practice advice remain core focuses for AREA. AREA believes the right tools, combined with formal and informal learning opportunities, can assist REALTORS® in better serving their clients. Moving forward, AREA will work to align professional standards, rules and administrative justice within the province, while also developing a practical program pathway for licensing education and ongoing professional development. AREA will continue to provide its members with tools and opportunities to enhance their skills, while also promoting the value of REALTORS® provincially.

2. Advocate

for a strong real estate environment

AREA values the importance of real estate to Alberta's economy. AREA advocacy is REALTOR®-centric and member driven, focused on influencing provincial public policy and regulation in ways that protect and promote the real estate industry, REALTORS®, and the clients they serve. Moving forward, AREA will continue to protect its members from regulatory overreach, while advocating for proper standards of enforcement, through its member advocacy program. AREA will remain committed to its responsibilities as the voice for REALTORS® with provincial stakeholders, reinforcing the vital role of real estate in building prosperity for all Albertans.

3. Support

the continued viability of REALTORS®

AREA values cooperative structures that benefit all Alberta REALTORS®. AREA has facilitated increased cooperation among Alberta's local Boards, including the creation and launch of Pillar9™, harmonized rules and provincial administrative justice, while respecting local representation. Moving forward, AREA will explore the structure for Alberta's organized real estate for how best to prioritize member needs, wants and benefits. AREA will continue to provide equitable, high-quality, self-sustaining member programs that save its members time and money.

4. Ensure

AREA's financial wellness

AREA values responsible fiscal stewardship. AREA maximizes its value to members through strict attention to operational spending, investing its dollars and resources where most impactful to its members, and developing beneficial affinity programs. The AREA Board of Directors thinks REALTOR® fees are too high. This strategic plan starts with a sustainable decrease in member dues, but more can be done to improve the stewardship of member dollars throughout the real estate system. Moving forward, AREA will maintain its focus on optimizing member dues and fees provincially, while expanding high-caliber service delivery.

The Alberta Real Estate Association is a not-for-profit professional association representing the interests of 11,000+ Alberta REALTORS®, from 10 local real estate Boards/Associations.



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