

Staying the course



Red Deer River at the Canadian Badlands Valley

VISION

To be instrumental in building and leading an agile, adept and respected Real Estate industry in Alberta that values continuous learning, informed consumers and community service.

MISSION

The Alberta Real Estate Foundation supports and originates initiatives that enhance the Real Estate industry and benefit the people of Alberta.

VALUES

For the Alberta Real Estate Foundation, investing in the people of Alberta is an evolving process. We strive to make purposeful investments that make a real difference for the Real Estate industry and for all Albertans. Successful community investment is a balance of art and analysis. The Foundation is continually learning and adapting its community investment strategies to ensure that funding awarded contributes to our guiding principles and creates successful results for the organizations and communities that collaborate with us on projects.



- Valuing our **stakeholders** by actively seeking stakeholder input and valuing their perspectives.
- Valuing **collaboration** by keeping abreast of industry issues, and actively seek partnerships with groups on projects that will advance the Foundation's vision.
- Valuing **innovation** by encouraging and funding projects that seek creative responses to the changing environment and stakeholder needs.
- Valuing **continuous learning** by focus on funding work that brings new skills, knowledge and ways of working to Real Estate related industry members and Albertans. Support Governor and staff learning and development.
- Valuing **respect** in how Governors and staff interact with each other as well as interact with stakeholders and applicants in a truthful, considerate and fair manner.
- Valuing **accountability** by identifying and clearly communicating Foundation objectives, evaluating successes and challenges--within the organization and through Foundation supported projects while using trust funds carefully.
- Valuing **transparency** by ensuring priorities, decision criteria, approval, announcement and evaluation processes for grant decisions are clear to industry, applicants and other stakeholders.
- Valuing **sustainability** by considering future generations in all decisions and activities.

WHERE DOES THE MONEY GO?

Since our inception in 1991, we have invested almost \$16.6 million to 511 projects that enhance the Real Estate industry and benefit the people of Alberta. We help fund a diverse range of initiatives, including supporting studies in entrepreneurship and Real Estate, encouraging conversations about ground water, enhancing prairie wildlife habitat and helping low income households pay energy utility bills.

511

Total Grants Funded Since 1991



HOUSING AFFORDABILITY



EDUCATION + RESEARCH



LAND STEWARDSHIP + ENVIRONMENT

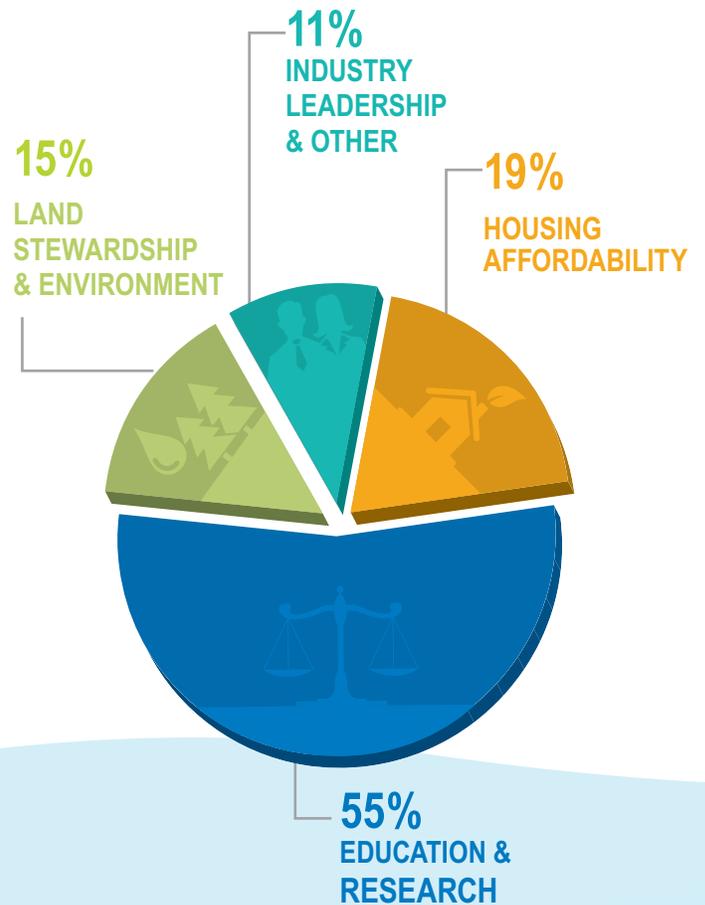


INDUSTRY LEADERSHIP

CUMULATIVE GRANTS 1991-2015

Since 1991 the Foundation has granted

	EDUCATION & RESEARCH	\$9,124,589
	HOUSING AFFORDABILITY	\$3,143,840
	INDUSTRY LEADERSHIP	\$1,818,087
	LAND STEWARDSHIP & ENVIRONMENT	\$2,493,248
Total Grants		\$16,579,764





GARY D. WILLSON

Chair

This has been a year for important discussions regarding the Foundation's purpose and its resiliency. Interest rates remain at an all-time low and our community investment programme was increased from \$749,800 in 2013-14 to \$923,500 in 2014-15; a 19% increase.

In June 2015, the Foundation staff and Board retreated to Canmore to develop a new strategic plan. Over three days of passionate discussion and debate, we identified five priorities.

- The first priority focused around ten important conversations which make up the core of our Board; why each of us at the Foundation care about it, what we can each contribute personally and how we're doing meeting the Foundation's values.
- The second priority had the Board focus on why it's important for Albertans to know about the Foundation and hear the stories about our grantees.
- The third priority reviewed the different areas of interest of our community investment programme. We discussed how to redefine our Housing area of interest (formally known as Housing Affordability), to most effectively use our capital.
- Fourthly, as a result of the strategic conversation, the Board developed a new area of interest, Community Innovation, to launch in 2016 as part of our 25th anniversary.
- Finally, the Board discussed how we can ensure we are in a position to meet the challenges that lie ahead in the weak economy. Together we committed to increase our community investment programme to \$1 million for the next two years.

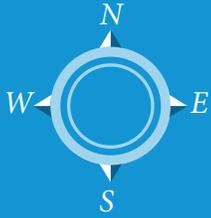
This year we welcomed a new Governor, Jim Saunders. Jim is an Associate with RE/MAX Real Estate Lethbridge and joins us as an appointment from the Alberta Real Estate Association. His vast knowledge of Southern Alberta has benefited the Board greatly.

The end of our fiscal 2014-15 year marked the end of my tenure as Chair of the Board of Governors for the Alberta Real Estate Foundation. I end on a high note, with the Board committed to our mandate, a new strategic plan to guide them and the pledge to continue to explore and grow the Foundation to ensure we are ready to meet the challenges ahead.

I am pleased to pass the position of Chair to Charlie Ponde. Charlie has been on the Board for three years as one of the appointments from the Alberta Real Estate Association. He is a significant source of thoughtful insight on community initiatives and his remarkable networking skills benefit the Foundation and our grantees.

It has been a wonderful two years serving as Chair. I am appreciative for the opportunity to serve Albertans in this capacity and am proud of the accomplishments the Foundation has made. I look forward to contributing as Past Chair.

A handwritten signature in black ink that reads "Gary D. Willson". The signature is written in a cursive, flowing style.



Staying the course – *Originally a nautical phrase on maintaining a constant and unfaltering course while navigating. It means to persevere and hold to one's goal in the face of difficulty.*

CHERYL DE PAOLI

Executive Director



“Steady as she goes”

The Foundation has entered its fifth year of historic low interest rates on the brokers' trust accounts, the source of our revenue that we reinvest throughout Alberta. The prime rate was reduced twice this year in January and July, and the Foundation is beginning to see some negative impacts.

Nevertheless, through these times of economic change in Alberta, the Foundation is remaining true to its mandate of funding initiatives and research that make Alberta great. As such, we chose “steady as she goes” to be the theme of this year's annual report because we are staying the course and supporting great work in Alberta.

In 2015, the Foundation awarded approximately \$924,000 to 18 grants and 13 smaller sponsorships across the province. The sponsorships provide the Foundation the ability to offer funding to projects around the province in a nimble and timely manner. The Foundation supported initiatives which range from developing the Practice of Commercial Real Estate Program at the University of Alberta and research into aging-in-community Laneway Housing at the University of Calgary to redeveloping SpaceFinders, searchable databases of spaces and venues for rent, through Arts Habitat Edmonton and Calgary Arts Development with an intent on going Alberta-wide.

Due to the new normal of low interest rates, the Foundation's Board of Governors made the strategic decision to increase our community investment programme funding for the foreseeable future--drawing on long-term investments if necessary-- and flow that funding out to Albertan projects.

The Foundation has also committed to shifting some of our investment towards the expanding area of impact investment over the next five years. According to the MaRS Centre for Impact Investing there are three qualities that differentiate impact investing.

- An impact investment is driven by investor intention to seek investments that receive a financial return and a defined societal impact.
- The investee is intentional and creates a business model that demonstrates financial and community value.
- The investment has built in measurement and indicators to define its impact.

We hope by exploring impact investments that the Foundation can continue to evolve its business model to stay the course and flow funding to worthwhile projects across Alberta which is our main purpose and mandate. I would like to thank the entire Board of Governors for their strategic insight and bold decision making to make this happen this year and for the next few years. I also want to personally say thank you to Gary Willson for his leadership and commitment to the Foundation for the past two years as Chair. Gary will step into the role of Past Chair and continue to work with the Foundation and contribute to the direction of the Foundation to stay the course.



ALBERTA ENERGY EFFICIENCY ALLIANCE - ENERGY EFFICIENCY PROGRAMMING FOR ALBERTA'S BUILDINGS

Energy efficiency is important for the success of Alberta and the sustainability of real estate in the province. The Alberta Energy Efficiency Alliance's (AEEA) Energy Efficiency Programming for Alberta's Building project will promote ongoing support for energy efficiency programs in the province.

Until recently, Alberta was the only jurisdiction in Canada or the U.S. without any energy efficiency programs. The provincial government has proposed new energy efficiency programs aimed at delivering cost savings to consumers and benefits to the environment.

Using less energy is one of the most cost effective ways to reduce greenhouse gas (GHG) emissions. Energy efficiency can also improve the affordability of housing and increase the resilience of households and businesses to fluctuations in the economy.

AEEA is an active stakeholder in designing and implementing upcoming energy efficiency programs and will help to share their success stories. AEEA will analyse the costs and benefits of funding for energy efficiency programs and communicate the case for ongoing funding of energy efficiency programs in the province.

AEEA.CA



CALGARY ARTS DEVELOPMENT/ARTS HABITAT EDMONTON - SPACEFINDERS

If you gather volunteers and professionals in the creative, non-profit and small business communities, you will hear a common concern: space. All these groups need places for meeting, creating, rehearsing, presenting, collaborating, gathering or celebrating. And they spend considerable resources on finding suitable and affordable space.

In particular, artistic needs are highly specific. A creative team's schedule can be complex, requiring hourly, daily, weekly and long-term rental space. Managing ongoing space rental is often an inefficient and frustrating task. Meanwhile, venues often spend considerable resources on finding the "right" renters for their space.

SpaceFinder bridges this gap. It's a proven technology, created by New York-based organization Fractured Atlas, that lets renters and venues easily find each other. Already in use in Toronto and 11 US cities, SpaceFinder is a free database that can be used by real estate professionals, venues, non-profit organizations and community members.

AREF originally funded Calgary Arts Development SpaceFinder with the intention that Calgary Arts Development will work with Fractured Atlas to populate, launch and promote a SpaceFinder website focusing on venues around Calgary. Later, Arts Habitat Edmonton approached AREF about SpaceFinder and now, with AREF's support, the two organisations are working collaboratively with Fractured Atlas to develop a SpaceFinder Alberta, which will eventually include venues in Fort McMurray, Lethbridge, Medicine Hat and Red Deer as well as rural regions.

CALGARYARTSDEVELOPMENT.COM
EDMONTONSPACEFINDER.CA



CENTRE FOR PUBLIC LEGAL EDUCATION (CPLEA) – CONDO LAW FOR ALBERTANS

With the Condo Law for Albertans project, Albertans can learn more about their rights and responsibilities under current and future condominium legislation. The project is producing websites with accurate legal information written in plain language.

The first phase of the project produced information on condo law for consumers, including prospective purchasers and condo owners. The second phase produced content for condo boards and board members to help them better understand their rights and obligations under the law.

These websites are timely and address a need identified by the public and the Alberta government. Condominium law is complicated. Shared ownership, common property, and board responsibilities are just a few of the difficult legal concepts. And, with changes coming to condominium legislation, Albertans will have an increased need for accurate and practical legal information.

CPLEA's mission is to enhance the accessibility and quality of justice in Canada by enhancing learning and knowledge among people within the justice system and between them and the general public.

CONDOLAWALBERTA.CA



UNIVERSITY OF CALGARY – SENIOR RESEARCH STUDIO ON AGING-IN-PLACE LANEWAY HOUSING

Aging-In-Place, or aging-in-community, is important to consider as the number of seniors in Alberta is expected to double in 15 years, reaching 1 million by 2031. With long-term care senior facilities struggling to keep up with the demand, many seniors prefer to age at home. The Senior Research Studio on Aging-in-Place Laneway Housing project looks at options for laneway homes and secondary suites for seniors. The research is part of a senior graduate level architecture research studio in the Faculty of Environmental Design at the University of Calgary. Concept designs are developed in conjunction with industry and faculty to demonstrate how secondary suites and options for aging-in-community can fit into our existing neighbourhoods.

The project builds on the success of last year's studio, incorporating evidence-based data and community and academic feedback into the revised design plans. Students and faculty work with professionals from the building and real estate sectors, City of Calgary staff, and academics from across the university including Cumming School of Medicine. In late 2015, this project invited REALTORS® to visit the studio for training and education on the design options for aging seniors and the benefits of these features within residential properties.

EVDS.UCALGARY.CA



ALBERTA WATERPORTAL - A SUSTAINABLE WATER SUPPLY FOR ALBERTA: MANAGING THE WATER-ENERGY-FOOD NEXUS

The Alberta WaterPortal Nexus project is developing an Alberta-specific, publicly available water valuation tool and complementary guidance document to help people make the best decisions about how to use the province's water resources.

The project will educate Albertans about the interconnectedness of our water, food and energy resources and raise awareness of the water-related challenges in the province.

The 2015 RBC Canadian Water Attitudes Study found that only 60 per cent of Canadians know where their drinking water comes from. Most of us don't know the condition of water infrastructure or that water resources in Alberta are unevenly distributed. Eighty per cent of Alberta's water is in the northern part of the province while eighty per cent of the population lives in the south, with that population rapidly growing.

The project will look at whether municipalities should share water resources or take private land for flood mitigation. It will examine whether continued irrigating land for food production is in Alberta's best interest and if we should consider alternative water supplies for oil sands production.

The Alberta WaterPortal's mission is to increase awareness and encourage dialogue on issues relating to water in Alberta in a free, safe, and inclusive environment.

ALBERTAWATER.COM/NEXUS



UNIVERSITY OF ALBERTA – ALBERTA SCHOOL OF BUSINESS REAL ESTATE PROGRAM - PRACTICE OF COMMERCIAL REAL ESTATE PROGRAM

The Real Estate Council of Alberta (RECA) offers the 'Fundamental of Real Estate,' a prerequisite for taking commercial pre-licensing courses offered through Alberta Real Estate Association (AREA).

RECA is developing the curriculum and course materials for a more intensive college or university level course for Commercial Real Estate Pre-licensing called 'Practice of Commercial Real Estate' in collaboration with the University of Alberta.

The program will let non-degree students pursue intensive education in real estate, thereby furthering the professionalism in real estate in Alberta. It will also help ensure those pursuing careers in commercial real estate have the very best education they can get.

BUSINESS.UALBERTA.CA



CALGARY CHAMBER OF COMMERCE - PAYING FOR IT: THE CALGARY CITIZENS' INFRASTRUCTURE FINANCE COMMISSION

Calgary is experiencing a significant strain on its municipal infrastructure and the existing funding model--characterized by a reliance on property tax revenue--and variable financial commitments from the provincial and federal governments may not be able to meet the city's critical need for infrastructure. As such, the revenue model needs to be adapted to ensure that Canadian cities like Calgary will not fall behind in terms of economic competitiveness and quality of life.

In an effort to develop a solution for Calgary by Calgarians, the "Paying For It" project is using an innovative model of public engagement that goes far beyond traditional town hall, focus group or survey. MASS LBP has developed a unique "Civic Lottery" methodology inspired by Canada's first Citizens' Assemblies in Ontario and British Columbia. A Civic Lottery is a random-representative selection process that encourages people to step forward and participate in a Citizens' Reference Panel.

People are randomly invited and selected to meet several times over several months as members of a Citizens' Reference Panel. They become better informed and hear from a range of experts along with other citizens during open meetings. After hearing and responding to various perspectives, the reference panel will work to reach agreement on a course of action and a series of recommendations about how to develop Calgary's infrastructure.

CALGARY-COMMISSION.CA



PEMBINA INSTITUTE - THE ALBERTA LANDOWNER'S GUIDE TO OIL AND GAS DEVELOPMENT

The original Alberta Landowner's Guide to Oil and Gas Development was printed by Pembina in 2001 and updated in 2005. The guide was heartily welcomed from the outset, and many landowners said they would not have known where to start without it.

The Landowner's Guide became the go-to document for Alberta landowners affected by oil and gas development. It was useful because it clearly outlined what environmental issues needed to be considered before landowners should sign a surface lease or right-of-way agreement. Landowners were empowered by understanding the roles of the various government bodies and learning how and where they could seek independent advice.

Since 2005, however, much has changed. New rules and technologies impact landowners differently. Specifically, the Alberta Government has introduced new legislation, regulations and procedures; the responsibilities of some departments have changed; and over the past two years, the Alberta Energy Regulator which regulates the oil and gas industry has been overhauled. Shale gas and shale oil represent a completely new and extensive type of oil and gas resource and the industry is developing at a rapid pace.

Communication styles have also changed and paper booklets need replacing with online resources. A 2015 online Landowner's Guide will protect Alberta property owners and inform potential property buyers and sellers. The intent of the new Landowner's Guide is to provide all parties with access to a common body of information about citizens' rights in Alberta as they relate to oil and gas development.

PEMBINA.ORG

COMMUNITY INVESTMENT 2015

HOUSING AFFORDABILITY	\$83,500
EDUCATION & RESEARCH	\$595,000
LAND STEWARDSHIP & ENVIRONMENT	\$185,000
INDUSTRY LEADERSHIP	\$60,000
Total Projects Funded	18
Total Grants	\$923,500



 **EDMONTON REALTORS® COMMUNITY FOUNDATION**
Build a home with Habitat for Humanity
EDMONTON, AB **\$50,000**

 **CREB CHARITABLE FOUNDATION**
Pineridge Project with Habitat for Humanity
CALGARY, AB **\$25,000**

 **ST. ALBERTA HOUSING SOCIETY**
HOMEstyle Benefit Breakfast
ST. ALBERT, AB **\$8,500**

 **UNIVERSITY OF CALGARY - HASKAYNE SCHOOL OF BUSINESS**
Advancing the Westman Centre for Real Estate Studies
CALGARY, AB **\$150,000**

 **CALGARY ARTS DEVELOPMENT**
SpaceFinder Alberta
CALGARY, AB **\$35,000**

 **CALGARY CHAMBER OF COMMERCE**
Paying For It: The Calgary Citizens' Infrastructure Finance Commission
CALGARY, AB **\$40,000**

 **CENTRE FOR PUBLIC LEGAL EDUCATION**
Condo Law for Albertans – Phase Two
EDMONTON, AB **\$90,000**

 **CITY OF EDMONTON**
Green Home Energy Kits + Solar Potential Mapping
EDMONTON, AB **\$30,000**

 **UNIVERSITY OF ALBERTA - ALBERTA SCHOOL OF BUSINESS REAL ESTATE PROGRAM**
Pre-Licensing of Commercial Real Estate Program
EDMONTON, AB **\$150,000**

 **SOUTHWEST ALBERTA SUSTAINABLE COMMUNITY INITIATIVE**
Pincher Creek RCADE (Regional Centres for Arts, Design & Entrepreneurship)
PINCHER CREEK, AB **\$30,000**

 **ARTS HABITAT EDMONTON**
Edmonton SpaceFinder
EDMONTON, AB **\$20,000**

 **UNIVERSITY OF CALGARY - FACULTY OF ENVIRONMENT DESIGN**
Senior Research Studio on Aging-in-Place Laneway Housing
CALGARY, AB **\$30,000**

 **EDMONTON PUBLIC LIBRARY**
Forward Thinking Speakers Event – Building Better Communities
EDMONTON, AB **\$20,000**

 **PEMBINA INSTITUTE**
The Alberta Landowner's Guide to Oil and Gas Development
CALGARY, AB **\$60,000**

 **YELLOWSTONE TO YUKON**
Upstream, Downstream: Safeguarding Albertan headwaters, homes and wildlife habitat
CANMORE, AB **\$30,000**

 **ALBERTA ENERGY EFFICIENCY ALLIANCE**
Energy Efficiency Programming for Alberta's Building
CALGARY, AB **\$60,000**

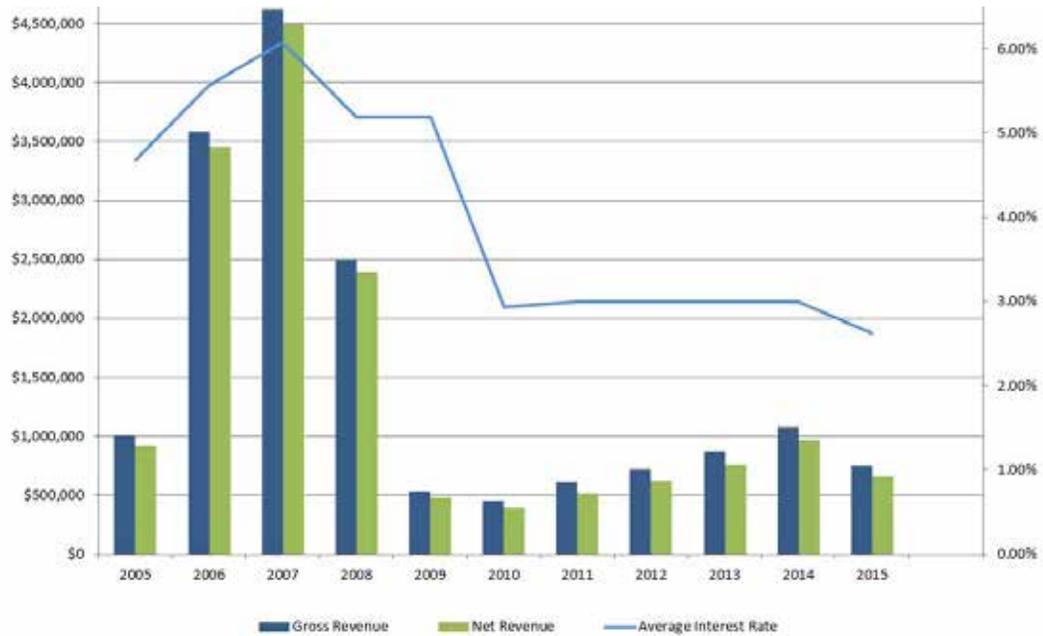
 **ALBERTA WATERPORTAL SOCIETY**
A Sustainable Water Supply for Alberta: Managing the Water-Energy-Food Nexus
PROVINCE WIDE, AB **\$35,000**

 **ALBERTA REAL ESTATE FOUNDATION**
Industry and Community Sponsorship 2016
CALGARY, AB **\$60,000**



REVENUE STATEMENT

Revenue for the Foundation is accumulated from the interest earned on public money deposited in Real Estate Brokers pooled trust accounts.



In 2015 the Foundation collected \$749,101 in pooled interest from the trust accounts from which \$90,642 was dedicated to bank service charges. The total trust account interest was \$658,459. The average bank interest rate dropped to an average 2.63%, with a rate cut in both January and July. Bank of Canada prime was at 0.50%.



GOVERNORS

The Foundation is guided by the Board of Governors that meets three times a year. As stewards of the Foundation's mission, their role is to represent the well-being of the industry and our community using the Foundation's community investment program. To do this successfully, they rely on the overall strategic direction and values of the Foundation.



Brent Alexander - Calgary
Foundation - Public Appointment



Krista Bolton - Leduc
Real Estate Council of Alberta



Junaid Malik - Calgary
Real Estate Council of Alberta



Charlie Ponde - Chair Elect Edmonton
Alberta Real Estate Association



Jamal Ramjoh - Calgary
Foundation - Public Appointment



Jim Saunders - Lethbridge
Alberta Real Estate Association



Gary D. Willson - Chair, Calgary
Foundation - Public Appointment

MAKING A DIFFERENCE. FOR THE INDUSTRY. FOR ALBERTA.



**ALBERTA
REAL ESTATE
FOUNDATION**

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