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A n n u a l R e p o r t



ASSOCIATION DES COURTIERS ET AGENTS IMMOBILIERS DU QUÉBEC



Mr. Jean-Pierre Charbonneau  
 President of the National Assembly  
 Québec Government  
 Québec

Mr. President:

I have the honour of submitting the Annual Report of the Association des courtiers et agents immobiliers du Québec for the fiscal year ended December 31, 2000.

Respectfully yours,

Pauline Marois  
 Vice-Prime Minister  
 Minister of State - Economy and Finance



Mrs. Pauline Marois  
 Vice-Prime Minister  
 Minister of State - Economy and Finance  
 Québec Government  
 Québec

Madam:

Please allow me to submit the Annual Report of the Association des courtiers et agents immobiliers du Québec for the fiscal year ended December 31, 2000.

Yours truly,

Jean-Guy Turcotte  
 Inspector General



Mr. Jean-Guy Turcotte  
 Inspector General of Financial Institutions  
 Québec Government  
 Québec

Sir:

It is with pleasure that we submit the Annual Report of the Association des courtiers et agents immobiliers du Québec for the fiscal year ended December 31, 2000.

Sincerely yours,

François Léger, Eng.  
 Chartered real estate agent  
 Chairman of the Board

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## Members of the Board of Directors

AT YEAR-END 2000

### Elected Chairman

François Léger

### Elected Directors

Robert Aubin	Western Québec
Serge Brousseau (Vice-Chairman)	Montréal
Raymond Desbiens	Eastern Québec
David Farber	Montréal
Pierre Lafond	Montréal
Pierre Paradis	Québec
Daniel Pelchat	Central Québec
Paul Robert (Treasurer)	Montréal

### Directors appointed by the government

Jean Mathieu  
 Madeleine Plamondon

### Chief Executive Officer of the ACAIQ (not entitled to vote)

Robert Nadeau

### Secretary of the ACAIQ (not entitled to vote)

Claude Barsalou



## Chairman's Report



**François Léger, Eng.**  
Chartered Real Estate Agent

I am pleased to present the Annual Report of the Association des courtiers et agents immobiliers du Québec for the year 2000, my last since I will be resigning my post as Chairman of the Board at the end of May. As is customary, this report presents the activities of the General Management, Office of the Syndic, Discipline Committee, Professional Inspection Committee and Treasurer as well as the Auditors' Report. For my part, I would like to entertain you about the future of our profession, the role of the Association in this future and the additional resources it will need to fulfill its mission.

### **Change must be embraced!**

Three major factors will shape real estate brokerage in coming years: the expectations of the public, our ability to fulfill these expectations and information technologies. If we fail to satisfy our customers and, ideally, give them more than they expect, advancing information technologies could very well give the public enough tools to manage without our services!

We know what these expectations are: available and competent agents, efficient and reliable service; people want sound advice and they want their money's worth. But in reality, the quality of the services we provide varies, partly due to broker lack of commitment and, consequently, agent isolation. Economic pressures are part of the reason, but they don't excuse everything and do nothing to protect our market shares, which are already smaller than elsewhere in the country.

We must raise our service standards, standardize our application and adapt to a changing market in order to ensure that Québec consumers are adequately served and avoid the proliferation of private transactions. This is the purpose of the continuing education component set up by the Association. It is closely linked to our mission.

Protection of the public is not limited to disciplinary action; it also means prevention. Continuing education is the spearhead and we have even recommended, in our Brief on the review of the *Real Estate Brokerage Act* published at the end of the year, that the legislator make it compulsory. The reason for this is self-evident. A continuing education program would make up to a degree for broker disengagement. It would counter the isolation of agents who can no longer benefit from their broker's experience and who are working increasingly from home. It would guide our profession and our agents on the road to the future.

The public is changing and is becoming more demanding. People have access to information that in the past only we could provide. Adapting to this reality means acquiring, in the best interest of all parties involved, an array of knowledge, including in the areas of financing and hypothecary loans, Homebuyers' Plan and building inspections. To succeed nowadays, a real estate agent has to become a resource expert. The competition he should fear is not so much that of other brokers operating under other banners, but rather his own inertia.

### **The role of the Association**

The Association has gradually made a place for itself to a point where it has become a true instrument of change. Our credibility is excellent, our visibility constantly on the rise, and people working in the field of real estate brokerage now have a better understanding of the Association's broad mission of protecting the public, which is closely linked to the success of our profession. The role of the Association is that of a professional order, i.e. that of a pathfinder.

As such, and especially in this era of globalization, the ACAIQ must stay abreast of emerging trends and pass the information on to its members, who have neither the time nor the means to do it on their own. Predicting the future also enables us to adapt our structure. This is crucial in terms of public protection and business management.

This being said, the Association has never been more solicited than it was in 2000, as evidenced by the increase in requests for information from the Info ACAIQ Department and the number of requests for investigation filed with the Office of the Syndic. We must add resources to our telephone information service in order to reduce waiting times, but the pressure is being especially felt at the Office of the Syndic.

Processing time for requests for investigations has become too long and must be reduced to prevent discrediting our discipline mechanisms and discouraging the public or our members from using it. Continuing education also needs additional staff, as it contributes to reducing the number of complaints filed with the Syndic.

### **Upcoming increase in license fees**

Additional staff requires additional revenue. No one likes the idea of increased fees, but in the end, we feel that this will bolster the public's trust in our profession and have a positive impact on our market shares, which will compensate for the added investment.

Let's point out that apart from annual adjustments for inflation and the contribution devoted exclusively to the fight against illegal brokerage, there has been no increase in license fees since the Association's inception in 1994. The increase we are advocating should come into effect on January 1, 2002, fully eight years later. We hope that the general assembly will understand the issues at stake and support this motion.

### **A word of thanks**

In ending, I would like to thank all the members of the Board of Directors. This group has discharged its responsibilities with outstanding team spirit and professionalism, without ever losing sight of the Association's mission and vision. I would especially like to salute the work of Madeleine Plamondon and Jean Mathieu, our public representatives on the Board. Their concern for public protection and the quality of their arguments are highly valued. The fact that Mrs.

Plamondon was awarded the *Prix de la Justice du Québec* last October is clear evidence of this. My heartfelt congratulations and thanks once again!

On behalf of the Board, I would also like to express my appreciation to the Association staff. The increasing visibility of our organization has had a great impact on their workload, but fortunately did not dampen the dedication of department heads or employees. This also is a very valuable asset.

Thank you everyone!



**François Léger**  
Chairman of the Board



# Report of the Chief Executive Officer



**Robert Nadeau,**  
lawyer

This report outlines the principal ongoing activities of the Association in the year 2000. During this mandate, we essentially consolidated our structure with the adoption of a new organization chart and our relocation to Brossard.

As we had predicted, the volume of our activities has increased. Compared to last year, there has been a more than 13% increase in requests for information from the *Info ACAIQ* service, a 10% increase in requests for investigations by the Office of the Syndic, and there is no sign that this trend will stop. On the contrary, it appears that the Association is becoming better known, which would seem to confirm

the success of our public relations. The media are also taking advantage of our expertise more and more frequently.

The number of members of the Association has also grown, and is now at approximately 10,376. The number of candidates for the examination to enter the profession has also increased to 1,464.

## Strategic Planning

In 1998, the Association's Board of Directors developed a strategic plan that included three main objectives: organizational efficiency, training and the profession's identity. The relocation of the Association's offices from Montréal to Brossard last February was a key element in our effort to improve organizational efficiency.

The need to protect ourselves from the inflation of rental costs, our office's accessibility and parking facilities were important factors in choosing the site. We have in fact noticed that more members have been coming by our offices in person.

Another event was the fact that the Office of the Syndic underwent an efficiency evaluation by an outside firm. In particular, this showed the deep dissatisfaction of people, both members and non-members of the Association, who have requested an investigation concerning the length of time between their request and the hearing of the complaint.

Open workspaces have also been set up in accordance with modern principles of rigorous resource management. In addition, we also produced a triennial computer management plan which takes these new realities into account, including telework.

We have had a number of fruitful exchanges with the various players in the field of real estate brokerage, including the government authorities and the Fédération

des chambres immobilières du Québec regarding the review of the *Real Estate Brokerage Act*, the reform of the *Labour Code*, the *Notarial Act* and a number of other issues that affect our sector of activity. The submission of a Brief on the review of the Act, entitled *Fully responsible real estate brokers for greater protection of the public*, was certainly one of the important events of the year. We would also highlight the constant improvement of our relations with the government and the healthy collaboration that has taken place between the real estate boards and the Association in the organization of continuing education courses.

## Continuing Education

We have decided to set up an action plan with regard to continuing education and to make recommendations for its implementation. This plan was adopted by the Board of Directors at the beginning of the year. It suggested

### Committees – 2000

	Meetings
Management Committee .....	21
Professional Inspection Committee .....	2
Training Committee .....	2
Planning Committee .....	4
Committee on the Mandate of Directors .....	1
Syndic's Evaluation Committee .....	5
Chief Executive Officer's Evaluation Committee .....	5
Human Resources Committee .....	1
Brokerage Contract – Purchase Committee .....	1
Finance Committee .....	8
Board of Directors .....	13

organizing approximately twenty activities throughout the year, and this target was greatly surpassed. Seventy-five continuing education sessions were held, with approximately 2,700 people participating! It should be noted that the evaluation questionnaires filled out by the participants revealed a very high rate of satisfaction. This confirms the urgent need for training which has been expressed by a number of people.

In addition to the real estate boards, other organizations collaborated in setting up these activities, including the Office de la protection du consommateur, Option consommateurs, CMHC, Bell Canada, Hydro-Québec and Association des inspecteurs en bâtiment du Québec. Among the subjects dealt with we will mention the drafting of forms, building inspections, the simultaneous presentation of several promises to purchase, conflicts of interest and the detailed description sheet.

## acaiq.com

The Association's Internet site, [acaiq.com](http://acaiq.com), and our on-line magazine, *ACAIQ Webzine*, were another factor that contributed to the growth and heightened awareness of the Association's activities. Our Web site received more than 90,000 visitors over the year, at a rate of about 5,000 per month at the beginning of the year, and more than twice that number (i.e. close to 11,000) in November and December. Thousands of documents were downloaded during these visits: 2,000 copies of *The Buyer Practical Guide* and *The Seller Practical Guide*, 5,600 of the *Québec Real Estate Brokerage Act and Regulations*, 1,200 of the Brief on the review of the Act, 1,000 investigation requests, and many others.

We would also like to mention the development of an English version of our Internet site to meet the needs of local and international English-speaking clients, and the activation of the electronic magazine *ACAIQ Webzine*, which allows us to make more information available than ever before, very quickly and at a much lower cost. Last April we also launched the *Real Estate Valet* software program, which makes it possible to complete and print any real estate brokerage form produced by the Association in electronic format. This is a first-rate tool that should make members of the profession aware of new information technologies and the advantages of this

CHART I

## BREAKDOWN OF ACAIQ MEMBERSHIP

By certificate category	JANUARY 1 <sup>ST</sup>	JANUARY 1 <sup>ST</sup>	JANUARY 1 <sup>ST</sup>
	2001	2000	1999
Chartered agent	2,029	2,028	2,028
Affiliated agent	6,787	6,671	6,370
Chartered broker	1,481	1,468	1,495
Affiliated broker	79	82	80
Restricted broker and agent	0	0	57
<b>Total</b>	<b>10,376</b>	<b>10,249</b>	<b>10,030</b>

### Breakdown by sex and average age

Men (average age: 50 years/2000 vs. 51 years/1999)	5,578	5,540	5,476
Women (average age: 49 years/2000 vs. 46 years/1999)	3,809	3,723	3,619
<b>Total</b>	<b>9,387</b>	<b>9,263</b>	<b>9,095</b>

By region	Brokers	Agents	Total
<i>Montréal region</i>			
Montréal (06)	522	3,091	3,613
Laval (13)	90	894	984
Montréal (16)	267	1,697	1,964
<b>Sub-total</b>	<b>879</b>	<b>5,682</b>	<b>6,561</b>
<i>Québec region</i>			
Québec (03)	179	786	965
Chaudière-Appalaches (12)	38	115	153
<b>Sub-total</b>	<b>217</b>	<b>901</b>	<b>1,118</b>
<i>Eastern region</i>			
Lower St. Lawrence (01)	19	99	118
Saguenay – Lac Saint-Jean (02)	23	179	202
North Shore (09)	7	48	55
Northern Québec (10)	1	3	4
Gaspésie – Îles-de-la-Madeleine (11)	6	9	15
<b>Sub-total</b>	<b>56</b>	<b>338</b>	<b>394</b>
<i>Central region</i>			
Mauricie – Bois-Francs (04)	48	285	333
Eastern Townships (05)	74	281	355
Lanaudière (14)	60	353	413
<b>Sub-total</b>	<b>182</b>	<b>919</b>	<b>1,101</b>
<i>Western region</i>			
Outaouais (07)	48	312	360
Abitibi-Témiscamingue (08)	12	67	79
Laurentians (15)	87	676	763
<b>Sub-total</b>	<b>147</b>	<b>1,055</b>	<b>1,202</b>
<b>Total</b>	<b>1,481</b>	<b>8,895</b>	<b>10,376</b>

By banner (100 agents and more)	Brokers	Agents employed	Total members
Independents	1,125	2,802	3,927
Century 21	14	378	392
Sutton	38	1,515	1,553
La Capitale	47	692	739
Re/Max	170	2,060	2,230
Royal LePage	39	1,132	1,171
Trans-Action	48	316	364
<b>Total</b>	<b>1,481</b>	<b>8,895</b>	<b>10,376</b>

CHART II

**CERTIFICATE MANAGEMENT**

	2000		1999	
	Brokers	Agents	Brokers	Agents
Issuances	67	1,762	134	1,760
Reclassifications				
chartered broker → chartered agent	(29)	29	(21)	21
chartered agent → chartered broker	23	(23)	19	(19)
Reinstatements	2	1,481	1	1,268
<b>Total</b>	<b>63</b>	<b>3,249</b>	<b>133</b>	<b>3,030</b>
Suspensions	60	2,421	23	1,965
Expirations	137	1,629	125	1,419
Cancellations	7	16	17	76
Abandonments	8	7	28	6
<b>Total</b>	<b>212</b>	<b>4,073</b>	<b>193</b>	<b>3,466</b>
<b>Other transactions</b>				
Reclassifications				
affiliated agent → chartered agent	0	42	0	53
Renewals	1,469	8,781	1,506	8,526
<b>Total</b>	<b>1,469</b>	<b>8,823</b>	<b>1,506</b>	<b>8,579</b>

**Damage Reports (professional misconduct)**

INSURER	REPORTS
Profescau .....	33
Axa .....	84
Lloyds .....	5
<b>Total</b>	<b>122</b>

technology in terms of the efficiency and quality of work. The launching of *Real Estate Valet* gave us the chance to meet 1,200 people at approximately forty presentations. At the end of 2000, there were already 250 users.

**Your comments...**

We are concerned with the quality of our communications at every stage of our activities. To ensure this quality, we have established a mechanism for evaluating client satisfaction in which we invite people that use our services to express their opinions on our Web site or by completing a response card. This is a simple, inexpensive and very effective measure.

**Illegal Practice**

In terms of illegal practice, we have also had a very busy year. We opened 164 new files, in addition to the 124 files which were already being processed. We were able to close 198 of them.

Three rulings in particular marked the year 2000 in terms of the illegal practice of real estate brokerage. The first one involved the Association and Yvon Conroy of Gestion Locapro enr. This ruling stated that the manager of a building who offers to find new lessees, does a credit check and introduces lessees to the owner in order to sign a lease, and who is not a certificate holder, is engaging in an illegal real estate transaction.

The second ruling, handed down in the case of the Association vs. Jean-Pierre Hudon from Sept-Îles,

CHART III

**MANDATORY EXAMINATIONS**

	Candidates		Successes		Failures		% success		Average grade	
	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
Affiliated agents	1,379	1,154	1,180	1,035	199	119	86%	90%	77%	78%
Chartered brokers and agents	85	111	56	73	29	38	66%	56%	73%	70%

confirmed that a notary who obtains the exclusive mandate to sell an immovable, without a certificate and for compensation but in the context of the settlement of an estate, is acting within the bounds of his functions and falls under the exception provided by section 2(1) of the *Real Estate Brokerage Act*. The third ruling, involving a case between the Association and Chantal Thiffault from Trois-Rivières, establishes that the rental of a room located in a home for the elderly is in fact a property rental within the meaning of section 1 of the *Real Estate Brokerage Act*, and that a person acting as an intermediary between the owner of the residence and the tenant and who receives compensation must be a certificate holder.

### Conclusion

In conclusion, allow me to highlight the performance of each of the employees of the Association. Their professionalism, dependability and, in a number of cases, their long experience made the difference in 2000, when we had a number of very challenging busy periods.

Finally, I would like to thank the members of the Board of Directors and my close collaborators on the Management Committee, Claude Barsalou of Legal Affairs and Training, Jocelyn Gagné of Professional Inspection and Certification, Claude Lafrenière of Communications, François Pigeon, the Syndic, and Vo-Long Truong of Administrative and Financial Services.

#### Summary of illegal practice - 2000

Cases carried over from previous year(s):	124
Cases opened between January 1 and December 31, 2000:	164
<b>Total - cases opened or processed:</b>	<b>288</b>

#### Cases closed in 2000

Reasons for closure		
Guilty plea	7	
Conviction	2	
Acquittal	1	
Appeal	2*	
Issuance of certificate	9	
Member involved (advertising)	25	
Cessation / Affidavit	43	
Owners	13	
Insufficient evidence	64	
Other	34	
Prescription	0	
<b>Total - files closed:</b>	<b>198</b>	<b>(198)</b>

Cases active or under investigation as at December 31, 2000: 90

\* ACAIQ v. J.-P. Hudon - Acquittal, and ACAIQ v. Chantal Thiffault - Conviction.

#### Cases referred to the Court of Quebec in 2000 and not yet resolved

Société immobilière Historia inc. / Jean Bouchard	1
La Gazette Officielle	5
Centre de location Magog Orford / Luc Brazeau	2



Robert Nadeau, Lawyer  
Chief Executive Officer





## Syndic's Report



**François Pigeon**

Syndic

The role of the Syndic of the Association des courtiers et agents immobiliers du Québec is to investigate alleged misconduct by real estate brokerage professionals and to file complaints with the Discipline Committee where warranted. Most requests for investigation come from the public (65%) and from members of the Association (30%). The Syndic may also initiate an investigation on his own initiative or upon recommendation by the Professional Inspection Committee.

### Highlights

Together, the continued hike in the number of requests for investigation, new hires which increased the staff of the Office of the Syndic from six to ten employees in two years, a few unforeseen departures, the implementation of a new management-by-objectives method and the office relocation have contributed to a year of total restructuring in 2000. Statistics are showing nevertheless an increase in productivity, but it should not conceal a chronic glut of our services and the unacceptable delays to process cases. We hope to remedy in 2001 with the addition of staff and an expansion of our work area.

### Annual Statistics

Between January 1 and December 31, 2000, a record 759 requests for investigation were received by the Office of the Syndic, compared to 691 the previous year. Despite this, an increased staff actually enabled us to settle more cases than had been opened, i.e. 776. This number is considerably higher than the 612 cases settled last year. However, the number of cases pending or under

investigation only dropped slightly, from 286 to 269, mainly due to the high volume of requests.

In addition, 22 requests for review were made to the Office of the Syndic, out of which 13 were processed in the course of the year; the other nine will be dealt with in 2001. This procedure is an ACAIQ initiative allowing the petitioner in a request for investigation to ask for a review of the Syndic's or Assistant Syndic's decision not to file a formal complaint before the Discipline Committee.

Requests for investigation leading to a formal complaint increased substantially from 91 to 105, or 14%. But the number of complaints (77) brought before the Discipline Committee did not follow at the same rate due to the unforeseen replacement of prosecutors and because the Office of the Syndic also reduced, for economic and other reasons, the number of mandates given to outside firms. Along with that, there was an increase in the number of Discipline Committee decisions challenged before

the Court of Quebec, which creates an additional workload for prosecutors: 14 of those cases are still under appeal.

The Office of the Syndic was also busy with informal mediation work. This procedure, which is not entirely new, allows us to reduce the number of complaints filed with the Discipline Committee. This leads to the petitioner accepting an amicable settlement which includes a penalty for the defendant. This can take the form of a course which the defendant is required to take, pass and pay for, or compensation to be paid to the client. There were 44 such settlements with penalty last year.

### Prevention

Prevention is another means used by the Association to reduce the number of requests for investigation. For his part, the Syndic gave several conferences on topics that are at the root of many requests for investigation, including the simultaneous presentation of several promises to purchase and building inspections.

### Conclusion

I congratulate the entire Syndic's Office team. Settling 776 cases in one year is a challenging and remarkable achievement that deserves to be emphasized. I would also like to thank my colleagues from the Management Committee and the Board of Directors for their support and their contribution to the improvement of the services we provide to the public and to real estate brokerage professionals.



**François Pigeon**  
Syndic

From January 1<sup>st</sup> to December 31, 2000

### Advertising verification requests

	REQUESTS RECEIVED DURING THE MONTH		WRITTEN NOTICES SENT DURING THE MONTH	
	2000	1999	2000	1999
January	11	8	10	12
February	11	14	9	20
March	12	14	3	15
April	10	22	5	21
May	6	12	8	3
June	17	1	7	2
July	3	11	0	17
August	23	2	35	6
September	16	10	16	10
October	3	5	4	5
November	1	12	2	14
December	5	12	2	10
<b>Total</b>	<b>118</b>	<b>123</b>	<b>101</b>	<b>135</b>

From January 1<sup>st</sup> to December 31, 2000

### New requests for investigations

	FILES OPENED DURING THE MONTH		INVESTIGATIONS COMPLETED DURING THE MONTH		UNDER INVESTIGATION/ PENDING	
	2000	1999	2000	1999	2000	1999
January	60	45	56	45	290	207
February	61	60	65	65	286	202
March	72	74	81	52	277	224
April	55	78	65	55	267	247
May	91	64	86	45	272	266
June	58	63	78	54	252	275
July	53	57	65	52	240	280
August	55	36	64	34	231	282
September	47	49	50	48	228	283
October	54	43	47	36	235	290
November	91	65	73	70	253	285
December	62	57	46	56	269	286
<b>Total</b>	<b>759</b>	<b>691</b>	<b>776</b>	<b>612</b>		



# Report of the Discipline Committee



**M<sup>e</sup> André Desgagné, Q.C.**  
Chairman of the Discipline Committee

Established under section 128 of the *Real Estate Brokerage Act*, the Discipline Committee is a totally autonomous tribunal that acts independently of the Board of Directors and staff of the Association des courtiers et agents immobiliers du Québec. It reviews all complaints made against members of the ACAIQ for infringements of the Act and regulations.

Each complaint is judged by three members of the Committee, who are the chairman or substitute chairman and two members of the profession. The chairman and substitute chairman are two lawyers appointed by the Government of Québec, and the members of the profession are part of the group of approximately 60 real estate brokers or agents that make up the Discipline Committee.

The Discipline Committee primarily follows the stipulations of the *Professional Code* for its procedures. Some of its decisions may be appealed, in accordance with the conditions and procedures set out in the *Real Estate Brokerage Act* and the *Professional Code*.

## Activities of the Discipline Committee (Table I through III)

During the 2000 fiscal year, 78 complaints were filed with the Discipline Committee, one of which was subsequently withdrawn. All of the complaints were brought by the Office of the Syndic of the Association, and the 77 remaining complaints included 147 specific counts.

The Committee held a total of 40 hearings on guilt and 71 hearings on penalties. In fact, the Committee holds separate hearings for ruling on the guilt of the defendant and for imposing penalties on the defendant, as appropriate.

Postponements were granted 51 times, including 49 times

before the hearing was held and twice after the parties had been heard by the Committee.

The Committee has made 60 decisions concerning guilt and 56 decisions concerning penalties. Seven decisions on guilt and thirteen decisions on penalties were still under deliberation at the end of the year.

The Committee rendered guilty decisions on 257 counts, 220 of which had been responded to with pleas of guilty, and ruled not guilty on 7 counts. In five cases, a count was withdrawn by the Syndic in its quality as plaintiff. Finally, the Committee combined three counts into a single count.

TABLE I

NUMBER OF CASES	2000	1999
Current as at January 1	23	29
Filed during the period	78	69
	<b>101</b>	98
<i>Less</i>		
Decisions rendered on penalties	56	71
Rejected complaints/acquittals	3	3
Withdrawals	1	1
<b>Current files as at December 31</b>	<b>41</b>	23

TABLE II

HEARINGS – RELEASES – DECISIONS	2000	1999
<b>Hearings held</b>		
On guilt	40	45
On penalties	71	69
Motion for provisional striking off	0	2
<b>Releases granted</b>		
Before the hearing	49	39
After representations to the Committee	2	1
<b>Decisions</b>		
Under deliberation on guilt	7	5
Under deliberation on penalties	13	2
Rendered on guilt	60	73
Rendered on penalties	56	71
Motion for provisional striking off	0	1

TABLE III

**COMMITTEE DECISIONS BY COUNT**

	2000	1999
<b>Decisions on guilt</b>		
Guilty decisions	255	144
Non-guilty decisions	7	15
Withdrawal of counts	5	9
<b>Decisions on penalties</b>		
Reprimands	118	16
Fines	134	136
Mandatory courses	6	2
Restrictions on right to practice	1	1
Suspensions/cancellations*	4	8

\* The suspensions ordered by the Discipline Committee for a count are normally accompanied by a fine, although, in certain cases, a suspension may be ordered without necessarily being related to a count. In addition, the Committee may have suspended the certificate of a defendant for a number of counts in the same complaint, for penalties of various lengths that may be served concurrently. Thus, the number of revocations/suspensions mentioned above concern four defendants and not four counts.

One of these four suspensions/cancellations is being appealed.

TABLE IV

**FINES, COSTS AND PUBLICATIONS**

	2000	1999
<b>Penalties</b>		
Total fines	\$127,400.00	\$160,900.00
Total costs to be reimbursed	\$51,804.38	\$71,201.98
<b>Publications in ACAIQ Magazine</b>		
Fines/reprimands	58	85

TABLE V

**COUNTS AND PENALTIES**

▼ <b>Violations to the Rules of Professional Ethics of the ACAIQ</b>		
SECTION OF THE CODE	NUMBER OF COUNTS	PENALTIES
1	1	\$600
5	1	\$1,200 with suspension of the certificate
11	13	\$600 to \$1,200
13	28	reprimand up to \$3,000 + case of suspension/cancellation with a fine or reprimand
22	5	reprimand up to \$1,300 with the obligation to take a course
24	4	reprimand up to \$1,800
26	2	\$1,800 to \$2,000 with suspension of the certificate
28	1	\$1,000
29	3	\$600 to \$800
31	1	severe reprimand
38	1	\$800
41	2	reprimand
43	4	reprimand up to \$1,200
46	1	\$600
52	1	\$1,000
55	3	\$800 to \$6,000
▼ <b>Violations to the By-law of the ACAIQ</b>		
SECTION OF THE CODE	NUMBER OF COUNTS	PENALTIES
72	10	\$600 to \$1,500
81	1	\$1,000 with the obligation to take a course
87 and 88	1	\$600
98	1	\$600
100	1	\$600
103	1	\$800
130	1	\$1,500
147	7	\$600 to \$1,500
▼ <b>Violations to the Regulation respecting the application of the Real Estate Brokerage Act</b>		
SECTION OF THE CODE	NUMBER OF COUNTS	PENALTIES
26	1	\$1,200

## Penalties (Table IV)

The penalties that the Discipline Committee may impose range from a simple reprimand to temporary or permanent suspension of the right to engage in professional activities, or fines of from \$600 to \$6,000 per count.

The Committee issued 118 reprimands (or severe reprimands) and imposed 134 fines. It also recommended that the Association's Board of Directors require the member to take courses and pass the related exams, on six occasions. It has also limited a

member's right to practise by requiring him to practise under the constant supervision of a chartered broker or agent. Finally, it suspended or cancelled the certificates of 4 members for periods of 26 days to 10 years.

The fines totalled \$127,400 and the fees to be reimbursed by the defendants totalled \$51,804.38. The amount of the fines is not calculated in terms of the costs of maintaining the disciplinary system, but based on the experiences of professional orders and associations comparable to the ACAIQ, and also based on the jurisprudence developed since the Committee was set up.

The Committee bases a penalty both on the type and seriousness of the offence committed, and on the magnitude of the damage caused or gains realized by the offender. The Committee also takes into account the deterrent effect of the penalty.

In total, one notice of cancellation of a certificate and 58 decisions of the Discipline Committee were published in the *ACAIQ Magazine* or on the ACAIQ's Internet site, or both, in the course of the year.

## Types of violation (Table V)

The accusations brought before the Discipline Committee dealt with violations to the *Rules of Professional Ethics of the ACAIQ*, the *By-law of the ACAIQ* or the *Real Estate Brokerage Act*. It should be noted that a charge may be brought under more than one

section of the Act or the regulations.

## Violations to the Rules of Professional Ethics of the ACAIQ

A total of 70 penalties were imposed for counts concerning violations to the *Rules of Professional Ethics of the ACAIQ*, including:

- 13 penalties for infringements of section 11: "A member shall verify, in accordance with generally accepted practice, the information that he provides to the public or to another member. He shall be in a position to prove the accuracy of that information at all times."

- 28 penalties for infringements of section 13: "A member shall not participate in any act or practice in real estate matters which may be illegal or which may cause prejudice to the public or to the profession."

- 5 penalties for infringements of section 22: "A member shall perform the obligations he has agreed to perform with prudence, diligence and competence. To that end, he shall demonstrate a reasonable degree of availability or otherwise designate another member to replace him."

- 4 penalties for infringements of section 24: "A member shall protect and promote the interests of his client while providing fair treatment to all parties to a transaction referred to in section 1 of the Act."

- 3 penalties for infringements of section 29:

"To ensure the protection of his client and all parties to a transaction referred to in section 1 of the Act, a member shall see to it that their rights and obligations are put in writing and reflect their intentions accurately."

- 4 penalties for infringements of section 43, which stipulates that members of the profession shall not abuse another member's good faith, nor use unfair practices against him.

## Violations to the By-law of the ACAIQ

There were 23 penalties for counts concerning violations to the *By-law of the ACAIQ*, including:

- 7 penalties for infringements of section 147, which stipulates that a real estate agent or affiliated broker "shall, without delay, send to the person who manages the establishment to which he is assigned the information and documents necessary to maintain the records, books and registers".

- 10 penalties for infringements of section 72, concerning the obligation of affiliated brokers and real estate agents to receive their compensation (that they may not share) solely from a chartered broker.



M<sup>c</sup> André Desgagné, Q.C.  
Chairman of the Discipline Committee

### MAKE-UP OF THE DISCIPLINE COMMITTEE

The Discipline Committee is made up of at least three members, appointed for a three-year mandate. The chairman and substitute chairman are appointed by the government, among lawyers with at least ten years of practical experience. The others, all members of the ACAIQ, are appointed by the Board of Directors. The Committee secretary is also appointed by the Board of Directors.

Chairman	Substitute chairman
M <sup>c</sup> André Desgagné	M <sup>c</sup> Gilles Duchesne

#### Members

Albert-Mongrain, Darlene	Guérard, Jean-Guy
Allard, Denis	Guilbault, Lyne
Ariëns, Imelda	Hardacker, Lois
Belley, Louise	Houde, Yves-Denis
Brosseau, Serge	Jones, Stewart
Brunet, Luc	Kimpton, Pierre
Bureau, Denis	LaPalme, Léo
Cayer, Louis	Langelier Sanche, Michèle
Charron, Claude	Lapointe, Guy F.
Cholette, Ginette	Laurin, Jean
Corbeil, Jean-Marc	Lavoie, Hélène
Cousineau, Andrée	LeBel, Réjean
D'Aoust, Robert	Lecompte, Éloi
Depelteau, Clément	Léger, Éric
Dufresne, Yvan	Léonard, Michel
Duguay, Louise	Leroux, Robert
Dupras, Marie-Andrée	Liboiron, Michel
Fecteau, Luce	Mailloux, Luc
Fiasché, Nicola	Ouellet, Damien
Forlini, Nancy	Patry, Pierre
Gadoua, Pierre	Pépin, Lucie
Gagnon, Micheline	Racine, Normand
Gagnon, Normand	Robitaille, Paul
Gaspard, Jean-Pierre	Rudolf, Yvon
Gauthier, Lise M.	Shelso, Robert
Gélinas, Bernard	Théorêt, André
Gendreau, Denise	Trudeau, Jerry R.
Giroux Laveau, Lana	Waddell, France
Goulet, Christian	White, Kenneth
Grossenbacher, Danielle	

#### Secretary

Marie-Josée Forget



**Raymond Desbiens**  
Committee Chairman

# Report of the Professional Inspection Committee

The legislator has put professional inspection at the heart of the activities of the Association des courtiers et agents immobiliers du Québec, as demonstrated in the definition of the role of the Association in article 66 of the *Real Estate Brokerage Act*:

66. *The primary role of the Association is to ensure the protection of the public by the enforcement of rules of professional ethics and the professional inspection of its members, and in particular by seeing to it that its members pursue their activities in accordance with the Act and the regulations.*

The Professional Inspection Committee's mission outlined in article 108 reinforces this concept:

108. *The function of the committee is to supervise the carrying on of the professional activities of the members of the Association, with the exception of professional competence, in particular by auditing their records, accounts, books and registers.*

The Professional Inspection Committee's mandate allows it to extend its actions to every application of the *Real Estate Brokerage Act* and its regulations, as well as to all members of the Association. The Committee is also required to make recommendations to correct any deficiency observed during its inspections.

## Make-up of the Committee

The ACAIQ Board of Directors appoints the members of the Professional Inspection Committee. In 2000, they were:

Mr. Raymond Desbiens,  
Chairman

Mr. Toufik Noubani

Mr. Jean Laurin

Mr. Robert Ménard

Mrs. Christiane Saint-Jean

Mr. Jocelyn Gagné, Secretary

Mr. Robert Ménard left the Committee in November 2000; we thank him for his contribution to the committee's work over the last two years.

The Committee met twice in 2000 to set up structures and procedures that will enable it to function efficiently in coming years. Methods of communication were developed between the Committee, the Board of Directors and the Professional Inspection Department, and Committee members now have a good grasp of the role the Committee must play in pursuing the ACAIQ's objectives.

## Inspections

The Committee determines the directions and priorities that will be followed regarding the inspection of the members' activities. It should be noted that

Committee members who practice the profession of real estate broker or agent do not take part in the inspection of the records and registers of other.

In accordance with article 113 of the *Real Estate Brokerage Act*, the Committee has hired the personnel necessary for the carrying out of its functions, including inspectors whom, during the year 2000, visited 513 brokers and examined brokerage and transaction records completed by 1,171 agents. Each of the brokers and agents inspected received a personalized report containing the Committee's observations and recommendations.

Each year during these inspections, several brokers are identified that hold a certificate but do not carry out any transactions. We have developed a procedure through which they are asked at the beginning of the year to fill out a questionnaire in which they certify that they have or have not, as the case may be, started practicing real estate brokerage again. In total, 88 brokers filled out this questionnaire in 2000, which will allow us to plan this year's inspections more efficiently.

## Continuing education

In 2000, the Professional Inspection Department took part in several continuing education and public information activities. Thus inspectors, in cooperation with the Association's Legal Affairs Department and various Real Estate Boards, gave 22 training sessions on the use of mandatory forms and four on conflicts of interest.

For two years now, the Professional Inspection Department has also been meeting with real estate brokerage student groups in order to explain the mission and workings of the Association. In 2000, the Department met 24 such groups and took part in two conferences on pyrite for the general public.

## Other activities

Many new brokers requested a meeting to make sure they set up their records and registers according to generally accepted practices. As usual, we modified our inspection program to meet them in their first few months of practice. The Professional Inspection Committee also verifies notices of disclosure, claim reports and quarterly reports on trust account transactions.

Internet monitoring was also an important activity for the Department. This enables us to make sure that certificate holders who advertise on the Internet are following publicity rules; we also identify violators who practice real estate brokerage on the Internet without being duly certified. During the year 2000, Internet monitoring has led to the opening of 438 files, out of which 361 were settled during the year. The 77 remaining cases were being investigated for illegal practice

or were being followed up on by the Professional Inspection Department at year's end.

### Cases referred to the Syndic for investigation following an inspection

In general, simple recommendations and follow-up by the inspectors were sufficient to settle most cases where deficiencies were observed. However, a small number of cases had to be referred to the Syndic for further investigation.

### Trust accounts

In several Québec regions, it is not current practice to pay a deposit, and in the few cases where this happens, the trustee is usually not a broker. This poses a problem for public safety, since it is impossible for the Professional Inspection Department or the Syndic to force a trustee who is not a member of the Association to provide information regarding such deposits. Even if a promise to purchase states that a deposit was paid, it is possible that in reality, no amount was deposited in the trustee's trust account, either because the trustee decided not to deposit it or because the funds were simply never paid.

As of December 31, 2000, more than 6,800 agents had access to a trust account held by their broker, offering the protection of the compensation fund to their clients. In general, brokers' records of trust account transactions are properly kept, but we have noted some cases of negligence that could lead to serious problems in the future.

The Inspection Department intends to step up vigilance in auditing trust account transactions and the quarterly reports submitted by brokers. Additional resources may have to be allocated to this task.

### General observations

Brokers' transaction records received a lot of attention again in 2000. We were able to form a fairly good idea of the quality of their work and the care taken in serving their clients.

The verification of the information that is conveyed to the public and to other members regarding the object of a brokerage contract remains a major concern, although progress has been made in this area. Brokers and agents are generally more aware of their responsibilities in this regard and their record-keeping continues to improve.

The Committee is also aware that proper verification of this information is essential to the real estate professional who is conscientiously performing his duty of informing and advising his clients.

The Professional Inspection Department must continue to focus on this point, as the problem of non-verified information remains the main cause of claims against real estate brokers and agents.

We also note that the compensation paid to real estate brokers and agents by financial institutions for referring clients is not always entered in the broker's transaction records. We note that the notices of disclosure required under section 24 of the Act are not being given to the client and, in most cases, there is no copy of it in the broker's file either. We will pay special attention to this problem as it directly impacts

the protection of the public and the credibility of our profession.

This past year, the pyrite problem in the Montréal area as well as the publicity surrounding building inspectors have highlighted the information and advisory duty that befalls real estate brokers and agents. The Committee will continue to concern itself with this issue, which is vitally important for the future of the profession.

The concept of establishment is still creating some confusion where records, books and registers as well as agent supervision are concerned. Direct interventions were made in this regard and will be made where agent supervision is found to be seriously lacking.

We have noticed, especially in members who attended information sessions, a notable improvement in the quality of their work in the last few years. Record-keeping and follow-up on transaction conditions reflect a higher degree of professionalism. However, the gap is widening between those who are progressing and those who are not.



Raymond Desbiens

Chairman of the Professional Inspection Committee

### Recommendations to the Board of Directors

**Need for continuing education:** The enthusiasm with which our training activities were met this past year confirms once again that the members of the profession recognize the need for an adequate continuing education program. This was clearly expressed in the evaluations given to the trainers after each session.

**Management of trust account deposits:** We wish again this year to draw the Board's attention to the matter of deposits that escape the audits of the Professional Inspection Committee or the Syndic because they are paid to a trustee over whom the Association has no jurisdiction. We wish for these audits to be made possible.

**Audit of reports and registers:** The Professional Inspection Department has begun a meticulous verification of the quarterly reports and registers maintained by brokers regarding trust account transactions. This audit will continue in 2001, based on the availability of resources that can be allocated to this task.

**Hypothecary Referrals:** The Committee is concerned by the fact that compensation paid to real estate brokers and agents by financial institutions for referring clients are not always entered in the broker's transaction records and the notices of disclosure required under section 24 of the Act are not being given to the client in all cases. The new inspection protocols will focus more attention on this problem, which directly impacts the protection of the public.

**Brief on the review of the Real Estate Brokerage Act:** The Board of Directors has filed its Brief with the Finance Minister, thus initiating the review process of the Real Estate Brokerage Act. The Brief outlines several of the Committee's concerns and we intend to give our full support to the Board of Directors.



# Treasurer's Report

**Paul Robert**, Treasurer  
Chairman of the Finance Committee

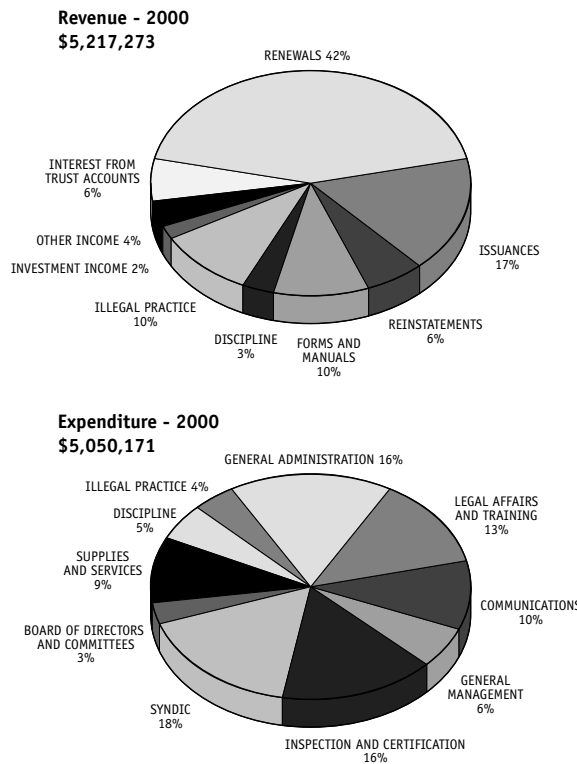
The Association des courtiers et agents immobiliers du Québec closed the 2000 financial year with an excess of revenue over expenditure of \$167,102, which brings the accumulated surplus to \$776,294. Revenues totalled \$5,217,273, compared with \$4,813,000 in 1999, and expenditures were \$5,050,171, as against \$4,806,000 in 1999.

On the revenue side, highlights included a significant increase in the number of certificates issued or reinstated, which brought in some \$200,000 in fees. Economic conditions also produced an increase of over \$100,000 in interest income from trust accounts. On the other hand, revenue from the sale of supplies was down almost \$90,000. This was largely the result of our investment in research and development in connection with *Real Estate Valet* software.

Expenditures reflected an increase of some \$250,000 in salaries and employee benefits, through salary adjustments and the hiring of staff for the Office of the Syndic, the Training Department and *Info ACAIQ*. The increase of just under \$200,000 in professional fees is attributable to the legal fees paid to outside firms to close the gap temporarily created by the unexpected departure of two prosecutors of the Association. The 28% increase in office costs is attributable mainly to the move from Montréal to Brossard. Lastly, there was a drop of almost \$400,000 in expenditures under the heading of Illegal practice: there was no advertising campaign in 2000, because we did not have the resources. The reduction of some \$60,000 in attendance allowance and employee benefits was due to the smaller number of board and committee meetings.

In closing, we should point out that the Association's accumulated surplus will have been almost completely eliminated by the end of 2001, because of the various measures taken to correct such situations as the delay in processing requests for investigation. This is why the board will be seeking approval at a members' meeting for an increase in the chargeable fees.

**Paul Robert**  
Chairman of the Finance Committee



Breakdown of revenue by source and expenditure by sector of activity of the Association





## Auditors' report

**SamsonBélair  
Deloitte &  
Touche**



**Samson Bélair/Deloitte & Touche,**

S.E.N.C.

Assurance and Advisory Services

To the Members of  
Association des courtiers  
et agents immobiliers  
du Québec

We have audited the balance sheet of the Association des courtiers et agents immobiliers du Québec as at December 31, 2000 and the statements of revenue and expenses and surplus for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Samson Bélair  
Deloitte & Touche*

Chartered Accountants

February 9, 2001



## Statement of revenue and expenses

year ended December 31, 2000

Revenue	2000		1999	
	\$	\$	\$	\$
Fees				
Members		3,421,887		3,199,119
Supplies and services				
Sales	502,142		514,243	
Less direct costs	(477,645)	24,497	(401,429)	112,814
Discipline				
Penalties and disbursements received	168,216		212,881	
Less direct costs	(266,532)	(98,316)	(303,811)	(90,930)
Illegal practice				
Fees and penalties (Schedule)	514,550		503,350	
Less direct costs (Schedule)	(218,641)	295,909	(621,066)	(117,716)
Investment income and other revenue		293,148		191,951
		3,937,125		3,295,238
<b>Expenses</b>				
Salaries and employee benefits		2,083,760		1,744,842
Office expenses		291,374		226,107
Occupation of premises (Note 6)		308,833		288,778
Attendance allowance and employee benefits		245,759		304,543
Meetings and travelling		163,960		191,839
Elections		24,914		635
Publications and public relations		73,491		57,723
Professional fees		697,372		511,480
Financial expenses		20,925		7,532
Amortization		107,724		120,546
		4,018,112		3,454,025
<b>Excess of expenses over revenue before undernoted items</b>		<b>(80,987)</b>		<b>(158,787)</b>
Other revenue				
Interest from trust accounts (Note 7)		317,330		192,026
Contribution to the Inspector General of Financial Institutions		(69,241)		(25,392)
<b>Excess of revenue over expenses</b>		<b>167,102</b>		<b>7,847</b>



## Statement of surplus

year ended  
December 31, 2000

	2000			1999
	Invested in fixed assets	Unrestricted	Total	Total
<b>Balance, beginning of the year</b>	\$ 256,531	\$352,661	\$609,192	\$601,345
Excess of revenue over expenses	(298,085)	465,187	167,102	7,847
Investment in fixed assets	1,229,447	(1,229,447)	-	-
<b>Balance, end of the year</b>	<b>\$1,187,893</b>	<b>(\$411,599)</b>	<b>\$776,294</b>	<b>\$609,192</b>

## Balance sheet

year ended  
December 31, 2000

	2000	1999
<b>Assets</b>		
Current assets		
Cash	\$1,476,921	\$2,208,044
Temporary investment	1,862,968	1,475,660
Accounts receivable	83,559	58,384
Current portion of finance lease (Note 3)	22,751	-
Supplies inventory	155,710	106,409
Prepaid expenses	35,883	122,124
	<b>3,637,792</b>	<b>3,970,621</b>
Finance lease (Note 3)	11,760	-
Notes receivable (Note 4)	41,950	-
Capital assets (Note 5)	1,187,893	256,531
	<b>\$4,879,395</b>	<b>\$4,227,152</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$1,112,545	\$ 977,405
Deferred revenue	2,647,462	2,634,362
	<b>3,760,007</b>	<b>3,611,767</b>
Deferred lease inducement	343,094	6,193
	<b>4,103,101</b>	<b>3,617,960</b>
<b>Surplus</b>		
Invested in capital assets	1,187,893	256,531
Unrestricted	(411,599)	352,661
	<b>776,294</b>	<b>609,192</b>
	<b>\$4,879,395</b>	<b>\$4,227,152</b>

Approved by  
the Board

Director

Director



# Notes to the financial statements

year ended December 31, 2000

## 1. Description of organization

The Association, incorporated under the *Real Estate Brokerage Act* (Québec), monitors and promotes public interest through timely and appropriate supervision of the profession, fair and equitable regulatory control, and consistent and effective training of real estate agents and brokers.

## 2. Accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

### Supplies inventory

The supplies inventory is valued at the lower of cost and net realizable value. Cost is determined under the average cost method.

### Capital assets

Capital assets are amortized over their estimated useful lives according to the straight-line method as follows:

Furniture	10 years
Office equipment	4 years
Telephone equipment	5 years
Computer equipment	3 years
Computer updates	1 year
Leasehold improvements	Lease term

### Deferred revenue

Income from annual fees is charged to the statement of revenue and expenses on a monthly basis over the duration of the broker certificates.

### Deferred lease inducement

The deferred lease inducement represents a total of \$374,570 collected from the landlord as lease inducements. This income is amortized on a straight-line basis over the duration of the lease, which expires in January 2010. The amortization is applied against occupancy costs in the statement of revenue and expenses.

## 3. Finance lease

The Association entered into a finance lease bearing interest at 6.5%. This lease is repayable in monthly blended instalments of \$2,027 and is due in June 2002.

The minimum principal amounts receivable over the forthcoming years are as follows:

	2001	\$24,324
	2002	12,164
		<b>36,488</b>
Less the amount representing interest		1,977
		<b>34,511</b>
Less current portion		22,751
Lease contract		<b>\$11,760</b>

## 4. Notes receivable

The Association has two notes receivable of \$20,000 each bearing interest at 6.5%. These notes are due in April and May 2004, respectively.

## 5. Capital assets

	2000			1999
	Cost	Accumulated depreciation and amortization	Net book value	Net book value
Furniture	\$ 423,595	\$306,720	\$ 116,875	\$ 22,596
Office equipment	82,317	56,823	25,494	25,486
Telephone equipment	85,069	74,189	10,880	12,152
Computer equipment and updates	380,168	273,216	106,952	117,268
Leasehold improvements	1,009,308	81,616	927,692	79,029
	<b>\$1,980,457</b>	<b>\$792,564</b>	<b>\$1,187,893</b>	<b>\$256,531</b>

## 6. Occupation of premises

Premises occupation expenses include the following:

	2000	1999
Rental and occupational costs	\$273 885	\$341 894
Amortization of leasehold improvements	85 766	41 064
Amortization of deferred lease inducement	(29 780)	(58 921)
Sub-leasing revenue	(21 038)	(35 259)
	<b>\$308 833</b>	<b>\$288 778</b>

## 7. Fund for public information

The fund entitled Fonds de financement de l'Association des courtiers et agents immobiliers du Québec pour l'information du public was established by the Board of Directors of the Association in accordance with the *Real Estate Brokerage Act* (Québec). The Fund consists of interest generated by the sums of money held in trust, in conformity with the Act. The Fund must be used primarily for the production and release of information relating to the rights of the public in the field of real estate brokerage and subsidiarily for professional inspection of the members of the Association and, if funds are sufficient, for discipline of those members.

Interest paid to the Fund and Fund-related expenses, which are included in the revenue and expenses of the Association, are as follows:

	2000	1999
<b>Revenue</b>		
Interest on sums of money held in trust paid to the Fund	\$377,140	\$239,149
Direct charges	(59,810)	(47,123)
	<b>317,330</b>	<b>192,026</b>
<b>Fund-related expenses</b>		
Information relating to public rights*	70,751	56,673
Professional inspection	177,045	204,337
Discipline	266,532	349,079
	<b>\$514,328</b>	<b>\$610,089</b>
<b>Fund balance</b>	-	-

\* Directly available to the public: \$68,682 in 2000 and \$51,327 in 1999.

### 8. Commitment

The Association is committed under a lease agreement for its premises, expiring in January 2010, to pay a total of \$3,014,867. The minimum amounts payable over the forthcoming years are as follows:

2001	\$326,510
2002	\$326,510
2003	\$326,510
2004	\$326,510
2005	\$336,163
2006 and thereafter	\$1,372,664

### 9. Statement of cash flows

A statement of cash flows has not been presented as it would not provide any additional meaningful information.

## Schedule

### Statement of revenue and expenses - illegal practice

year ended December 31, 1999

	2000	1999
Revenue	\$	\$
Renewal	511,700	500,850
Penal	2,850	2,500
	514,550	503,350
Direct costs		
Penal investigations	77,896	100,934
Advertising	203	380,090
Legal fees	6,199	4,398
	84,298	485,422
Indirect costs		
Salaries and employee benefits	104,350	101,507
Occupancy expenses	15,389	14,838
Amortization	5,010	9,393
General administration	9,594	9,906
	134,343	135,644
	218,641	621,066
Excess of revenue over expenses (of expenses over revenue)	295,909	(117,716)



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Association des courtiers  
et agents immobiliers du Québec