

2026 Business & Financial Plan

TABLE OF CONTENTS

CEO MESSAGE 3

FINANCIAL STEWARDSHIP 5

FINANCIAL PLAN 6

BUDGET 8

OUR ROLE 9

RECA'S LEGISLATIVE FRAMEWORK 10

ORGANIZATION 11

LEADERSHIP 12

STRATEGIC PLAN 13

OUTLOOK 14

CONSUMER PROTECTION 15

INDUSTRY INTEGRITY 16

BUSINESS PLAN 17

The Real Estate Council of Alberta (RECA) is the industry-funded regulator for real estate brokerage, mortgage brokerage, condominium management and property management.



Message from the Chief Executive Officer

Stacy Paquin

The Real Estate Council of Alberta (RECA) is committed to protecting Alberta consumers by setting and enforcing licensing, conduct and practice standards for the licensees who assist consumers when buying, selling, renting, managing, or mortgaging property. RECA is tasked with detecting, preventing, and suppressing fraud to maintain industry integrity and consumer trust. The strategic priorities outlined in this plan include effective and trusted regulation, sustainability and expanding consumer and industry awareness, ensuring operational and financial stability as well as implementing the modernization of rules governing the industry.

The real estate industry continues to be a key driver of Alberta's economy. As the markets in Toronto and Vancouver cool, investors have set their sights on Calgary and Edmonton, with record inter-provincial migration

continuing through 2025. RECA will continue to uphold high standards of regulation to ensure a stable and attractive real estate market so all Albertans, especially newcomers, can trust their decision to invest here is a safe move.

RECA's 2025-2028 Strategic Plan prioritizes Effective and Trusted Regulation and Sustainability. In the past five years, Alberta's licensee numbers have risen by nearly 40%, an unprecedented increase that appears to now be leveling out. It's essential for RECA to maintain effective regulation amidst this growth and ensure sustainability.

For Year 1 of the Strategic Plan, RECA will focus on three key priorities:

Expanding Consumer and Industry Awareness – RECA is best able to protect consumers when they are aware of those protections and aware of how to access vital information and the enforcement mechanisms under RECA's purview. Consumer protection is also enhanced when licensees have a thorough understanding of how they are regulated and the standards of practice they are expected to follow.

Ensuring RECA is Operationally and Financially Sustainable – RECA, along with all Albertans and Canadians, will have to navigate the uncertain political and economic realities of global trade disruptions, tariffs, and continued inflation, and will also have to contend with the potential flattening of the trend of substantial increases in new licensee numbers. Maintaining sustainable operations for RECA while keeping licensee costs manageable is essential to continue protecting consumers.

Implementing the Approved Changes to the *Real Estate Act* Rules – After extensive consultations with consumers, licensees, and other stakeholders, RECA's Industry Councils will formally approve and submit recommended amendments to the *Real Estate Act* Rules to the Minister of Service Alberta and Red Tape Reduction. RECA will implement these changes, ensuring licensees have a clear and thorough understanding before they formally take effect.



The 2026 Business Plan sets out RECA's priorities to pursue strategic goals and annual objectives.

Performance results will be reported in RECA's Annual Report.

This integrated plan was approved by the Board of Directors on July 23, 2025 and forwarded to the Minister of Service Alberta and Red Tape Reduction pursuant to the *Real Estate Act* s.16 (1.1).

FINANCIAL STEWARDSHIP

RECA's new governance structure has been in place for five years, and during that time the industry has seen historic increases in the number of licensees, both from within Alberta and through labour mobility from other provinces. The unexpected increase in new licensees led to several years of surpluses for RECA, which in turn allowed RECA to eliminate debt, offer a \$250 fee credit to renewing licensees for 2024-2025, position itself to weather uncertainty moving forward, and plan for long-term financial stability.

Through 2025, the industry experienced a flattening of growth, perhaps indicating the industry has reached saturation in terms of licensee numbers. Ontario has experienced a similar flattening, reporting a decrease in licensees for the first time ever in 2024. Forecasting what will happen in Alberta involves gathering substantial information and specialized knowledge, for which RECA engaged Sapling Financial Consultants Inc., a firm specializing in custom financial modeling.

RECA is pleased to offer a \$250 credit toward renewal fees for the 2025–2026 licensing year. This credit reflects the organization's continued operational efficiencies, sound financial management, and growth in the licensee base. It also allows RECA to maintain the flexibility to adapt fees as needed in response to evolving industry trends.

Licensing fees make up the majority of RECA's revenues, so due to budgeting for a decrease in fee revenue, and due to the uncertainty in the economy and in licensee numbers moving forward, RECA has budgeted conservatively for 2025-2026.



FINANCIAL PLAN



The 2025-2026 budget was developed to support RECA's mandate to protect consumers. It enables RECA to fulfill its regulatory obligations and address its key priorities.

The schedule on the following page presents RECA's Board-approved Operating Fund budget for October 1, 2025 to September 30, 2026, and plans for the next two fiscal years.

This plan does not include any additional expenses related to the implementation of the new *Real Estate Act* Rules or potential recommendations from the Government of Alberta's five-year review.

Financial Plan - 3 years

\$(000)	2026 Budget	2027 Plan	2028 Plan
	\$	\$	\$
Revenue from operations			
Licence registration fees (brokerages/individuals)	11,735	11,860	12,453
Eligibility and other licensing fees	2,900	3,074	3,258
Examination revenue	1,215	1,142	1,070
Office building rental revenue	342	380	380
Investment income	421	196	209
Fee Credit	(4,941)	-	-
	11,672	16,652	17,371
Expenses			
Salaries and benefits	8,572	8,743	8,918
Administration	1,913	1,970	2,030
Professional services	1,194	1,230	1,267
Information systems	1,327	1,367	1,408
Amortization of capital assets	1,030	1,030	1,030
Board and Industry Councils	546	562	579
Hearings	541	557	574
Credentialing program costs	206	150	150
	15,329	15,610	15,956
Other items			
Penalties, fines, enforcement recovery	-	-	-
Assurance Fund administration	160	160	160
5 year review	(225)	-	-
	(65)	160	160
Excess (deficiency) of revenue over expenses	(3,722)	1,202	1,575

2025 - 2026 BUDGET

Over the past 20 years, RECA's licensing fee revenues have been significantly influenced by a strong housing market and oil pricing. However, the past five years have seen RECA's licensing numbers increase dramatically, and the number of individuals leaving the industry has been historically low. This growth trajectory, however, has begun to flatten over the past year.

RECA anticipates licensing numbers to stabilize through 2025-2026.

RECA has seen surpluses due to a growing licensee base, allowing for a fee credit for renewals in 2024. With the flattening of growth, and a plan for another year of a fee credit, RECA will still maintain licensing fees at their current levels, providing affordability and stability for licensees.

RECA is budgeting for a modest increase in operational expenses in response to the historic growth in the licensee base, anticipated economic inflation, impactful tariffs, and the development of re-licensing education competencies and standards.



To fund these budgetary decisions, RECA's Board of Directors approved a reduction of RECA's operating reserve fund targeted maximum to six months of operating expenses, allowing RECA to use the reserve fund to ensure it can continue to achieve its mandate and strategic goals.

RECA's 2025-2028 Business and Financial Plan will strengthen regulatory and operational efficiency, enhancing delivery of timely, reliable services to Albertans and promoting cost-effective, affordable regulation for licensees.

OUR ROLE

RECA was established in 1996 under the *Real Estate Act*. RECA is a self-regulatory body with activities primarily funded through licensing fees collected from real estate brokerage, mortgage brokerage, and property management and condominium management practitioners.

A strong regulator plays a critical role in promoting economic prosperity for Alberta by creating a stable, trustworthy, and competitive environment. It builds market confidence and stability, enhances professional standards and efficiency, facilitates economic mobility and growth and protects the public interest.

RECA is dedicated to making Alberta the safest, most secure province for real estate transactions, whether buying, selling, renting, or mortgaging. Through rigorous oversight, transparent requirements and appropriate enforcement, RECA strives to foster an environment where buyers, sellers, owners, renters and industry professionals alike can have peace of mind that every transaction is conducted with professionalism and ethics.



Our mandate is to:

- protect consumers
- protect against, investigate, detect, and suppress fraud as it relates to the business of licensees
- provide, or support the provision of, services and other things that facilitate the business of licensees
- to set and enforce standards of conduct for licensees and the business of licensees in order to protect consumers and promote the integrity of the industry



RECA'S LEGISLATIVE FRAMEWORK

Our mission

To protect Alberta's real estate consumers by ensuring licensees meet high ethical and competency standards. Through rigorous licensing standards, proactive fraud management, and firm but fair enforcement, we create a marketplace where Albertans can engage with confidence.

The *Real Estate Act* provides for the creation of RECA to set and enforce standards of conduct for the real estate industry in Alberta.

Under the *Real Estate Act*, several key regulations provide further structure:

- **Ministerial Regulation:** This regulation outlines the administration of the *Real Estate Assurance Fund* and the nomination process for the Alberta Real Estate Foundation. It also sets limits on payments from the Assurance Fund and mandated RECA's divestment from licensing education and the Minister's oversight of changes to the *Real Estate Act* Rules and *Real Estate Act* Bylaws.
- **Exemption Regulation:** This regulation identifies specific individuals and organizations that are exempt from the *Real Estate Act* or its licensing requirements.
- **Real Estate Act Rules:** RECA is responsible for developing the Rules, which establish the standards of practice expected of licensees. In 2020, the Government of Alberta amended the *Real Estate Act* to clarify that the authority to create and amend the *Real Estate Act* Rules is delegated to the Industry Councils (*Real Estate Act* s.12), in response to stakeholder feedback.
- **Real Estate Act Bylaws:** The *Real Estate Act* Bylaws set out certain procedures and rules of conduct for the Board, Industry Councils, and RECA Administration, and sets RECA's fees.

All legislation and regulations referenced above can be accessed through the Government of Alberta King's Printer and [RECA's website](#).

ORGANIZATION

RECA places a strong emphasis on good corporate governance. Industry and public members govern RECA.

BOARD OF DIRECTORS

The Board is made up of:

- One licensee member appointed from each Industry Council
- Three public members appointed by the Minister of Service Alberta and Red Tape Reduction (Minister)

The Board is responsible for setting RECA's Budget and Strategic Direction.

INDUSTRY COUNCILS

Industry Councils are:

- Commercial Real Estate Broker and Commercial Property Manager (includes agri-business)
- Mortgage Broker
- Residential Property Manager (includes condo management)
- Residential Real Estate Broker

Each Industry Council is made up of three elected licensees from that industry and two public members appointed by the Minister. They are responsible for setting the licensing requirements and standards of practice for their respective industries.

The Finance and Audit Committee assists the Board in fulfilling its oversight responsibilities relating to budget, annual audit, financial reporting, and corporate controls.



The Governance and HR Committee assists the Board relating to the effectiveness of corporate governance, and the Hearings Committee assists with recruitments and appointments to the Hearing Panel Roster.

RECA's Chief Executive Officer (CEO) is hired by and reports to the Board. The CEO provides information, advice, and support to enable sound governance decision-making, and is responsible for the day-to-day operations of RECA. The Registrar is appointed by and is accountable to the Board. The Registrar reports to the CEO and is responsible for licensing, addressing complaints about licensee conduct, investigation, and enforcement of standards of practice in accordance with the *Real Estate Act* and *Real Estate Act Rules*.

Detailed information about the Board is available at <https://www.reca.ca/about-reca/our-team/board-of-directors-industry-councils/board-of-directors/>

Detailed information about each of the Industry Councils is available at <https://www.reca.ca/about-reca/our-team/board-of-directors-industry-councils/>

LEADERSHIP

GOVERNANCE

Board of Directors

Elan MacDonald (Chair)
Jai Parihar
Elena Russell
Gregory Walter

George Bamber
Carrie Plett
Laura Sharen

INDUSTRY COUNCILS

Residential Property Manager

Don Newell (Chair)	Don Brown
Jacquie Lesperance	Keith McMullen
Carrie Plett	

Commercial Real Estate Broker & Commercial Property Manager

Terry Engen (Chair)	Brittane Laverdure
Cheri Long	Laura Sharen
Ben Van Dyk	

Mortgage Broker

Clarence Lee (Chair)	Jared Morrison
Nkem Onyegbula	Guy Ouellette
Elena Russell	

Residential Real Estate Broker

George Bamber (Chair)	John Dempster
Brad Hamdon	Erika Ringseis



MANAGEMENT

RECA's regulatory operational leadership is led by an executive team.

Chief Executive Officer
Stacy Paquin

Chief Operating Officer
Janice Harrington

Registrar
Warren Martinson

STRATEGIC PLAN



RECA's Strategic plan focuses on two principles:



AN EFFECTIVE AND
TRUSTED REGULATOR



SUSTAINABLE

Read the full [RECA 2025–2028 Strategic Plan](#).

OUTLOOK

The industries regulated by RECA are rapidly evolving in response to shifting demographics, advancing technologies and changing societal expectations. RECA must proactively modernize its regulatory practices to reflect the realities of current industry needs. Without timely adaptation, regulatory gaps could emerge, leaving consumers vulnerable.

Economy

The Alberta Government forecasts a 1.4% population increase in 2026 and 2027, and a 1.6% increase in 2028. This is about half of the net migration to Alberta we experienced in recent years. This slowdown is mainly attributed to reduced federal immigration targets beginning in 2025. The province anticipates continued strong inter-provincial migration; however, growth potential may be blunted by continued US tariffs and global economic instability, possibly slowing the expected lowering of interest rates. Reduced tariffs on Alberta's energy exports provide the province with a relative economic advantage, supporting continued competitiveness and stability.

Housing affordability

Relative housing affordability has been one of the biggest draws to Alberta from the expensive markets of southern Ontario and the lower mainland in BC. With year-over-year prices in Toronto going down around 4% in 2025, and as much as 5% in Vancouver, some consumers may choose to stay rather than move to Alberta. However, the average house price in those two centres is still almost twice as high as the average price in Calgary or Edmonton. The average price in Calgary and Edmonton also decreased by approximately 2%. As a result, Alberta's home prices remain comparatively lower.



Technology

The next few years will see the saturation of AI technologies across nearly every sector - including real estate. AI is already being used to generate listing descriptions, write ad copy, optimize rent adjustments and shape business strategies. Consumers are increasingly relying on AI for real estate advice and licensees may use AI to supplement or inform their professional guidance. These developments present both opportunity and risk, raising questions about accountability, data privacy and accuracy. RECA will continue to monitor and assess the use of AI within the industries it regulates and take steps to ensure clarity in guidance and standards for the ethical and responsible use of AI. By taking a forward-looking approach, RECA can support innovation in the industry.

The past few years have also demonstrated an increasing trend of licensees moving to virtual brokerages, with two now eclipsing 1,000 registered associates. RECA must ensure proper brokerage supervision and brokerage controls remain in place and are adequate as this trend expands.

CONSUMER PROTECTION



This year RECA will focus on three priorities for our consumer-facing work:

- 1 Utilizing multi-channel campaigns to increase consumer awareness
- 2 Creating new consumer content and updating all existing content to ensure maximum consumer accessibility and understanding
- 3 Review and streamline all consumer processes to ensure minimal roadblocks or red tape in accessing RECA's regulatory processes

INDUSTRY INTEGRITY

There are four ways that RECA influences industry integrity. RECA safeguards the public interest against fraud and manipulative conduct by:

1. Enforcing the Rules

To practice in our industries, a person must be licensed by RECA. In addition to licensing, RECA sets the education standards that licensees must meet—both to enter the industry and to continue practicing.

2. Investigating complaints

RECA takes immediate action to investigate when there is potential that a licensee is breaching the *Real Estate Act* Rules. The enforcement program is essential to maintaining public confidence and upholding RECA's authority. When misconduct is identified, those who breach the *Real Estate Act* Rules are sanctioned.

3. Inspecting Brokerages

RECA works with brokerages to provide information to them regarding regulatory compliance requirements. RECA provides free advice to brokerages that enquire about getting help to interpret or apply the regulatory standards for their sector. Additionally, RECA provides educative and regulatory inspections of brokerages to confirm brokerages are meeting the professional standards set by the Industry Councils.



4. Educating and informing consumers

RECA provides public resources on recaprotects.ca for Albertans to access. RECA also works with our community partners through our outreach programs to educate the public on where they can find information that can help them make wise decisions for their real estate transactions.

This year RECA will implement any approved changes to the *Real Estate Act* Rules that result from the comprehensive Rules Review undertaken in 2023-2025. The review has engaged all stakeholders through several phases to ensure that Industry Councils are advancing only those changes that enhance consumer protection and reduce red tape.

2026 BUSINESS PLAN



AN EFFECTIVE AND TRUSTED REGULATOR

RECA's business plan is updated annually to focus on activities and outcomes for the current fiscal year. The business plan addresses two broad areas: continual improvement and transformative strategic projects.

- Implement approved standards in the *Real Estate Act* Rules resulting from the Rules Review
- Develop a Graduated Licensing Program for the Residential Property Management sector
- Conduct a comprehensive consumer awareness campaign and consumer content review and update
- Continue to implement recommendations from the regulatory review completed in 2024
- Work with course providers and brokerages to enhance the competence and practice-readiness of new licensees

Measures

Management provides quarterly updates, including performance updates, to both the Finance and Audit Committee and the Board of Directors to ensure accountability. Material changes to business plan initiatives are provided to the Board of Directors for their review and direction. In addition to the measures that RECA publishes publicly every year in the annual report, RECA reports the following to the Board of Directors:

- Industry understanding and compliance with changed *Real Estate Act* Rules
- Increase in new applicants to Residential Property Management
- Improved consumer protection:
 - Reduction in complaints and investigations concerning basic competency issues
 - Increased consumer awareness of RECA, and consumer and industry understanding of RECA's role
 - Clear, concise, and effective regulatory policy
- Improved engagement:
 - Increased and continuous feedback from more stakeholder groups
 - Increased reporting to stakeholders about their feedback and how it was used in the decision-making process

2026 BUSINESS PLAN



SUSTAINABLE

- Continued progress in RECA's Digital Strategy, including redeveloping RECA's online licensing system (myRECA) and redeveloping the course provider portal
- Update the Crisis Management Plan
- Continue to improve financial processes and operational procedures to enhance efficiency and effectiveness
- Undertake an organization wide review to identify opportunities to leverage current technologies to improve efficiency and effectiveness

Measures

Management provides quarterly updates, including performance updates, to both the Finance and Audit Committee and the Board of Directors to ensure accountability. Material changes to business plan initiatives are provided to the Board of Directors for their review and direction. In addition to the measures that RECA publishes publicly every year in the annual report, RECA reports the following to the Board of Directors:

- RECA's systems are integrated, efficient, and centralized as a single source of truth for all regulatory and operational information
- A Crisis Management Plan is approved by the Board of Directors
- RECA's revenues and expenditures align to allow RECA to achieve its mandate
- RECA's internal culture aligns with RECA's Brand Promise of Protect, Inform, and Elevate
- RECA's governance turnover process runs smoothly, efficiently, and ensures retention of information and skills



RECA MANAGEMENT

STACY PAQUIN
Chief Executive Officer

JANICE HARRINGTON
Chief Operating Officer

WARREN MARTINSON
Registrar

CONTACT RECA

202, 1506 11 Avenue SW,
Calgary, AB T3C 0M9

Phone (403) 228-2954
Toll-free 1-888-425-2754
Fax (403) 228-3065
www.reca.ca

info@reca.ca