Real Estate Council of Alberta

2027 BUSINESS & FINANCIAL PLAN

TRUST IN ACTION.

The Real Estate Council of Alberta (RECA) is an industry-funded regulator that protects the public interest by overseeing and regulating Alberta's real estate brokerage, mortgage brokerage, condominium management, and property management sectors in Alberta.

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Message from the Board Chair

Cynthia P. Moore

Trust is the foundation of effective regulation. It is earned through strong governance, transparent decision-making, and a steadfast commitment to protecting consumers. At the Real Estate Council of Alberta (RECA), the Board of Directors is focused on ensuring the organization continues to evolve as a trusted, effective, and sustainable regulator. The 2026–2027 Business and Financial Plan reflects this commitment.

As RECA enters the second year of its 2025–2028 Strategic Plan, the Board will revisit the strategy to ensure it aligns closely with the recommendations arising from Deloitte's independent third-party review of RECA (Deloitte Report).

We see this as an important opportunity to strengthen governance, clarify accountabilities, enhance organizational effectiveness, and support RECA's continued evolution as a modern regulator.

While we continue to strengthen the organizational framework that supports our work, we must never lose sight of RECA's core purpose: protecting consumers. We are keenly aware of our responsibility to help Albertans understand and navigate the risks of fraud, misconduct, and other harmful practices that can occur in the marketplace. Preventing, detecting, investigating, and responding to fraud remains central to RECA's public interest mandate. Through strong oversight, effective enforcement, and ongoing improvements to our regulatory processes, RECA will continue to foster a marketplace where consumers can participate in real estate transactions with confidence.

The Board recognizes the importance of investing in RECA's future. Modest increases in resourcing for the coming year will support enhanced services and continued progress in digital modernization, process improvement, and innovation. These investments will help ensure the organization remains well-positioned to fulfill its mandate, both in the year ahead and over the long term.

On behalf of the Board of Directors, I would like to thank RECA's Industry Councils, stakeholders and RECA staff for their continued dedication and collaboration. By working together, we can strengthen public confidence in Alberta's regulated industries and ensure consumers remain at the center of everything we do.

Message from the Chief Executive Officer

Stacy Paquin

The Real Estate Council of Alberta (RECA) exists to protect consumers by ensuring the professionals who support Albertans in buying, selling, renting, managing, and financing property meet high standards of competence, ethics, and professionalism. Every aspect of our work, from licensing and credentialing to compliance monitoring, investigations, and enforcement is focused on maintaining public confidence in Alberta's regulated industries.

In 2026–2027, RECA will advance the priorities of its 2025–2028 Strategic Plan through the theme Trust in Action. This theme reflects our commitment to delivering effective regulation through responsive service, sound regulatory decisions, and operational excellence.

Consumer protection remains at the center of everything we do. Many of the images featured throughout this report represent the Albertans we serve every day and the professionals who support them. They remind us that behind every transaction is a person placing their trust in the real estate marketplace. That trust guides our work and reinforces our responsibility to ensure consumers are informed, protected, and confident when engaging in real estate transactions.

In Year 2 of the Strategic Plan, RECA remains focused on two key priorities: Effective and Trusted Regulation and Sustainability. These priorities guide our day-to-day operations and support ongoing improvements across licensing, education, inspections, investigations, enforcement, and stakeholder engagement.

A key focus this year will be implementing initiatives stemming from the Deloitte Report. Working closely with RECA's Board of Directors, Industry Councils, and stakeholders, we will advance improvements that enhance operational effectiveness, improve service delivery, and provide greater clarity and consistency for consumers and licensees. We will also continue investing in technology, process improvement, and organizational capability to support a modern regulatory environment. These investments will improve the experience of consumers and licensees, streamline workflows, strengthen data-informed decision-making, and enhance RECA's ability to adapt to future challenges and opportunities.

The 2026–2027 Business and Financial Plan reflects our commitment to responsible financial stewardship and long-term sustainability. By carefully balancing affordability for licensees with the resources required to deliver effective regulation, RECA is ensuring it has the capacity to fulfill its mandate and deliver value to Albertans.

The 2027 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 22, 2026 and forwarded to the Minister of Service Alberta and Red Tape Reduction pursuant to the *Real Estate Act* s.16 (1.1).

OUTLOOK

Building Trust and Confidence in a Changing Environment

Alberta's economy is expected to remain resilient in 2027, supported by continued population growth, ongoing housing demand, and investment across multiple sectors of the provincial economy. However, uncertainty related to inflation, interest rates, affordability, and RECA's leading indicators suggests growth in licensees will slow in the near term.

These trends create both opportunities and challenges for the industries RECA regulates. Consumers are increasingly seeking trusted advice, transparent information, and confidence that the professionals supporting one of the most significant financial decisions of their lives are competent, ethical, and accountable.

As market conditions evolve, the role of a modern regulator extends beyond enforcement. Effective regulation requires proactive risk management, strong stakeholder engagement, clear communication, and investment in systems, people, and regulatory tools that support public confidence and industry integrity.

Regulatory Excellence and Modernization

In 2027, RECA will continue advancing a multi-year program of regulatory modernization and organizational improvement.

A key focus will be implementing approved recommendations arising from the Deloitte Report. These improvements are intended to strengthen regulatory effectiveness, clarify governance and operational accountabilities, improve decision-making, and ensure RECA has the structure, capacity, and capabilities required of a modern regulator.

Following Ministerial approval, the organization will begin implementing changes arising from the *Real Estate Act* Rules Review to ensure regulatory requirements remain clear, relevant, risk-informed, and aligned with consumer protection and the public interest.

Together, these initiatives are intended to strengthen regulatory foundations, improve organizational resilience, and reinforce public confidence in Alberta's real estate, mortgage brokerage, condominium management, and property management sectors.

OUTLOOK

Strengthening Competence Through Continuous Learning

Maintaining public trust requires confidence in the competence of licensed professionals throughout their careers.

In response to direction from RECA's Industry Councils and informed by emerging regulatory best practices across Canada, RECA will continue work toward implementing relicensing education requirements across all regulated sectors. To support this initiative, RECA is investing in additional credentialing and education resources and strengthening its capacity to design, administer, and oversee modern competency-based education programs.

These investments will help ensure licensees remain current with evolving legislation, professional standards, consumer expectations, technology, and emerging industry risks while supporting more consistent regulatory outcomes and enhanced consumer protection.

OUTLOOK

Technology, Data and Innovation

Technology continues to transform both the industries RECA regulates and the way regulation is delivered.

Consumers increasingly expect accessible digital services, timely information, and greater transparency. At the same time, emerging technologies, including artificial intelligence and automation, present new opportunities for efficiency while introducing important considerations related to accountability, privacy, reliability, and professional responsibility. In 2027, RECA will continue advancing its Digital Strategy through modernization of the myRECA platform, process improvement initiatives, enhanced use of data and analytics, and development of an Artificial Intelligence and Automation Strategy. These initiatives will support more responsive service delivery, improved regulatory intelligence, and a stronger foundation for evidence-based decision making.

Looking Ahead

Trust in Alberta's regulated real estate sectors depends on confidence in both the marketplace and the institutions that oversee it.

By strengthening regulatory foundations, implementing the Deloitte Report recommendations, introducing enhanced competency and relicensing frameworks, investing in modern technology, and maintaining a sustainable organization, RECA is positioning itself to meet future challenges while remaining focused on its public interest mandate.

Trust is not created through intention alone; it is earned through action. In 2027, RECA will continue putting trust into action by protecting consumers, supporting professional excellence, and building confidence in Alberta's regulated industries for years to come.

2027 BUSINESS PLAN

Building on 2026

The first year of RECA's 2025–2028 Strategic Plan marked an important step in the organization's evolution as a modern, effective, and trusted regulator. Throughout the year, RECA advanced key initiatives designed to strengthen consumer protection, enhance regulatory performance, and position the organization for long-term sustainability.

Our efforts focused on improving regulatory processes, enhancing stakeholder engagement, strengthening governance practices, and increasing organizational effectiveness. RECA also began important preparatory work to support the implementation of recommendations arising from the Deloitte Report.

Consumer protection remained at the centre of RECA's work. Investments in regulatory oversight, investigations, inspections, complaints management, and education oversight helped strengthen confidence in Alberta's real estate, mortgage brokerage, property management, and condominium management sectors. At the same time, RECA continued advancing graduated licensing requirements within the residential property management sector and established the basis for future competency and relicensing initiatives across all regulated sectors.

The organization also continued to advance its Digital Strategy through business process improvement initiatives and the exploration of artificial intelligence and automation opportunities. These efforts are intended to enhance service delivery, improve efficiency, and ensure RECA remains responsive to the needs of consumers, licensees, government, and stakeholders.

From a financial perspective, RECA maintained its commitment to prudent stewardship while balancing strategic investments with affordability for licensees. The organization continued to manage reserves responsibly, monitor emerging financial risks, and develop long-term plans to support financial sustainability and the ongoing strength of the Real Estate Assurance Fund.

The accomplishments of 2026 provide a strong foundation for the year ahead. Building on this momentum, RECA will continue advancing strategic priorities that strengthen public confidence, improve regulatory outcomes, and ensure the organization remains responsive to the evolving needs of consumers, licensees, and stakeholders.

2027 BUSINESS PLAN

What RECA Wants to Accomplish in 2027

1. Establish the Foundation for a More Effective Regulatory Operating Model

Desired outcome by year-end:
- Implementation roadmap approved and actively progressing
- Deloitte recommended governance and operational changes underway
- New organizational accountabilities established
- Regulatory functions better aligned

2. Strengthen Competency Across Every Regulated Sector

Desired outcome by year-end:
- Residential property management graduated licensing fully implemented
- Framework for relicensing/cadence for competency reviews established across sectors
- Education governance model strengthened

3. Improve Consumer Protection and Public Confidence

Desired outcome by year-end:
- Better regulatory transparency
- Improved communications
- More accessible registration and licensing information
- Increased stakeholder trust measures and engagement outcomes

4. Modernize the Regulator

Desired outcome by year-end:
- myRECA redevelopment materially advanced
- Digital Strategy implementation concluding
- Business process improvement program expanded
- AI governance and automation strategy established

5. Maintain Financial Sustainability

Desired outcome by year-end:
- Reserve levels remain within policy targets
- Real Estate Assurance Fund replenishment plan underway
- Resources available for strategic investments
- Long-term financial sustainability strengthened

FINANCIAL STEWARDSHIP

RECA is committed to responsible financial management that protects consumers, delivers value to licensees, and ensures long-term stability. Through disciplined budgeting, operational efficiency, and prudent decision-making, RECA has built and maintained a strong financial foundation that enables it to meet its regulatory obligations while adapting to changing industry and economic conditions.

RECA has reduced its reserve levels. This reflects RECA's commitment to ensuring license fees are used appropriately and that reserve levels are aligned with recognized financial management practices, while still maintaining the capacity to support organizational risks and respond to unforeseen circumstances.

Although Alberta's economy continues to demonstrate resilience, current economic indicators point to a period of uncertainty and moderated growth. RECA has therefore adopted a conservative approach to revenue forecasting, recognizing that licensing activity and licensee counts may fluctuate in response to broader economic and market conditions. This prudent approach supports stable financial planning and ensures RECA can continue delivering effective consumer protection regardless of changing conditions.

RECA remains focused on delivering effective regulatory oversight, consumer protection, education standards and oversight, and enforcement activities in a cost-efficient manner while maintaining licensing fees that compare favourably with those in other provinces.

RECA's financial plan reflects a disciplined and transparent approach to fiscal management. With reserves aligned to prudent governance practices, a conservative revenue forecast, and continued focus on operational efficiency, RECA is well positioned to meet its regulatory responsibilities while maintaining the confidence of both consumers and licensees.

FINANCIAL PLAN

The schedule on the following page presents RECA's Board-approved Operating Fund budget for October 1, 2026 to September 30, 2027, and plans for the next two fiscal years.

FINANCIAL PLAN - 3 YEARS

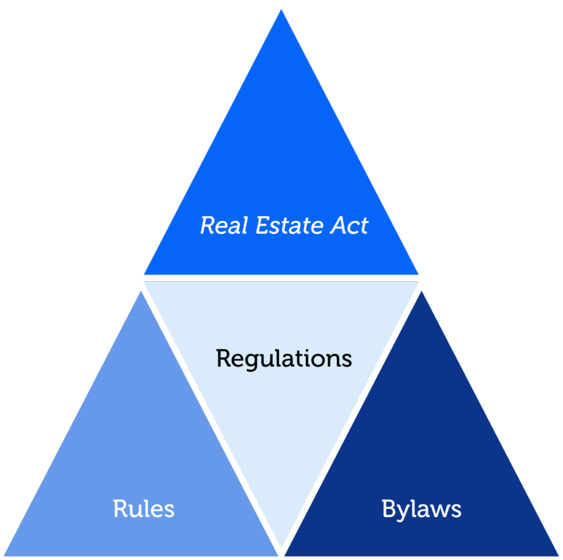
$(000)	2027 Budget	2028 Plan	2029 Plan
	$	$	$
Revenue from operations			
Licence registration fees (brokerages/individuals)	12,245	12,551	12,865
Eligibility and other licensing fees	2,127	2,180	2,235
Examination revenue	1,118	1,146	1,175
Office building rental revenue	403	413	423
Investment income	280	287	294
	16,173	16,577	16,992
Expenses			
Salaries and benefits	9,149	9,378	9,612
Administration	1,715	1,758	1,802
Professional services	1,483	1,520	1,558
Information systems	1,400	1,200	1,200
Amortization of capital assets	1,140	1,169	1,198
Hearings	565	579	594
Board and Industry Councils	480	492	504
Credentialing program costs	204	209	214
	16,136	16,304	16,682
Other items			
Real Estate Assurance Fund administration	101	104	104
Penalties, fines, enforcement recovery	-	-	-
	101	104	104
Excess (deficiency) of revenue over expenses	138	376	413

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 Real Estate 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.

GOVERNANCE & LEADERSHIP

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

BOARD OF DIRECTORS

The Board is made up of:

- RECA Board Chair & 2 additional public members appointed by the Minister
- One licensee appointed from each of Residential, Mortgage, Commercial & Property Management Industry Councils

The Board is responsible for setting RECA's overall Strategic Direction, Policies and Budget

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 and each of the Industry Councils is available at https://www.reca.ca/leadership

GOVERNANCE & LEADERSHIP

BOARD OF DIRECTORS

Cynthia P. Moore (Chair)
Jai Parihar
Michael P. Theroux
Ken Morris
George Bamber
Anand Sharma
Jared Morrison

INDUSTRY COUNCILS

Residential Property Manager
Don Newell (Chair)
Charissa Shine (Vice Chair)
Anand Sharma
Tania Andrushko
Jacquie Lesperance

Commercial Real Estate Broker & Commercial Property Manager
Terry Engen (Chair)
LaVerne Planden (Vice Chair)
Ken Morris
Randy Kerr

Mortgage Broker
Dale Koeller (Chair)
Cathy Godin (Vice Chair)
Jared Morrison
Nkem Onyegbula

Residential Real Estate Broker
George Bamber (Chair)
John Dempster (Vice Chair)
Chloe Mitchell
Pamela Rath
Erika Ringseis

MANAGEMENT

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

Chief Executive Officer
Stacy Paquin

Chief Financial Officer
Terry Lockhart

Registrar
Warren Martinson

General Counsel & Corporate Secretary
Shannon Patterson

Real Estate Council of Alberta

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