



Unified Enterprise Survey – Annual

2006 Survey of Service Industries: Real Estate Rental and Leasing and Property Management

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Reporting Guide

This guide is designed to assist you as you complete the 2006 Survey of Service Industries. If you need more information, please call the Statistics Canada Help Line at the number below.

Help Line: 1 888 881-3666

Your answers are confidential.

The *Statistics Act* protects the confidentiality of information collected by Statistics Canada. All Statistics Canada employees take an oath of secrecy and face severe penalties for any breach of confidentiality. The collected information cannot be disclosed under the *Access to Information Act* or any other Act. **The Canada Revenue Agency cannot access any individual survey records from Statistics Canada.**

All survey results are carefully screened before publication to ensure they cannot be used to derive information about a particular business.

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B - Main Business Activity

1. Please describe the nature of your business

To ensure that you have received the appropriate questionnaire, you are asked to describe the nature of your business. The description should briefly state the main activities of your business unit.

2. Please check the one main activity which most accurately represents your main source of revenue

Below is a description of each main activity.

Lessors of residential buildings (apartments, houses, etc.)

Business units primarily engaged in renting and leasing residential buildings and dwellings, except social housing projects. They may operate (lease, administer and maintain) their properties on their own account, or they may subcontract the operation to a third party, and they may provide additional services, such as security, maintenance, parking and snow and trash removal.

Lessors of non-residential buildings (office buildings, shopping malls, etc.)

Business units primarily engaged in owning, or owning and operating, non-residential buildings such as shopping malls, offices, etc. They may operate (lease, administer and maintain) their properties on their own account, or they may subcontract the operation to a third party, and they may provide additional services, such as security, maintenance, parking and snow and trash removal.

Excludes:

- mini-warehouses.

Lessors — self-storage mini-warehouses

Business units primarily engaged in renting or leasing space for self-storage. They provide secure space (rooms, compartments, lockers, containers or outdoor space) where clients can store and retrieve their goods.

Lessors — other real estate property (mobile home parks, land, etc.)

Business units primarily engaged in renting and leasing real estate other than buildings (e.g., agricultural property rental, forest and land leasing, industrial park developing and operating, mobile home park operating, lessors of railroad property).

Property managers (residential and non-residential)

Business units primarily engaged in managing real estate properties on behalf of property owners (on a contract or fee basis). The work involves administrative and coordination activities, such as the negotiation and approval of lease agreements,

the collection of rental payments, the administration of contracts for property services (e.g., cleaning, maintenance and security) and the preparation of accounting statements.

Exclusions from the survey:

Social housing (if rental income exceeds 80% of revenue)

Business units primarily engaged in renting and leasing residential buildings and dwellings provided to low-income earners. It is typically operated or funded by non-profit government entities, but they may also be operated by private, non-profit housing corporations. This represents at least 80% of your total rental income. If you have selected this box, please return the questionnaire.

Condo association

Associations or corporations of dwelling owners engaged in the management of properties on behalf of dues-paying members. If you have selected this box, please return the questionnaire.

If none of the above activities describes your main source of revenue, please call **1 888 881-3666** for further instructions.

C - Reporting Period Information

Please report information for your fiscal year (normal business year) **ending between** April 1, 2006 and March 31, 2007. Please indicate the reporting period covered by this questionnaire.

D - Revenue

1. Sales of goods and services (e.g., rental and leasing income, commissions, fees, admissions, services revenue). Report net of returns and allowances.

Sales of goods and services are defined as amounts derived from the sale of goods and services (cash or credit), falling within a business's ordinary activities. Sales should be reported net of trade discount, value added tax and other taxes based on sales.

Includes:

- sales from Canadian locations (domestic and export sales);
- transfers to other business units or a head office of your firm.

Excludes:

- transfers into inventory and consignment sales;
- federal, provincial and territorial sales taxes and excise duties and taxes;
- intercompany sales in consolidated financial statements.

2. Grants, subsidies, donations and fundraising

Please report contributions that are allocated to the current operations of the reporting period.

Includes:

- non-repayable grants, contributions and subsidies from all levels of government;
- revenue from private sector (corporate and individual) sponsorships, donations and fundraising.

3. Royalties, rights, licensing and franchise fees

A royalty is defined as a payment received by the holder of a copyright, trademark or patent. Please report revenue received from the sale or use of all intellectual property rights of copyrighted musical, literary, artistic or dramatic works, sound recordings or the broadcasting of communication signals.

4. Investment income (dividends and interest)

Investment income is defined as the portion of a company's income derived from its investments, including dividends and interest on stocks and bonds.

Includes interest from:

- foreign sources;
- bonds and debentures;
- mortgage loans;
- G.I.C. interest;
- loan interest;
- securities interest and deposits with bank interest.

Excludes:

- equity income from investments in subsidiaries or affiliates; these amounts should be reported in **Section E**, at question 27.

5. Other revenue (please specify)

Includes:

- amounts not included in questions 1 to 4 above.

6. Total revenue

The sum of questions 1 to 5.

E - Expenses

1. Salaries and wages of employees who have been issued a T4 statement

Please report all salaries and wages (including taxable allowances and employment commissions **as defined** on the T4 – Statement of Remuneration Paid) before deductions for this reporting period.

Includes:

- vacation pay;
- bonuses (including profit sharing);
- employment commissions;
- taxable allowances (e.g., room and board, vehicle allowances, gifts such as airline tickets for holidays);
- severance pay.

Excludes:

- all payments and expenses associated with casual labour and outside contract workers; please report these amounts in this section, at question 5.

2. Employer portion of employee benefits (include employer contributions to pension, medical/life insurance plans, employment insurance, etc.)

Includes contributions to:

- health plans;
- insurance plans;
- employment insurance;
- pension plans;
- workers' compensation;
- contributions to any other employee benefits such as child care and supplementary unemployment benefit (SUB) plans;
- contributions to provincial and territorial health and education payroll taxes.

3. Commissions paid to non-employees

Please report commission payments to outside workers without a T4 – Statement of Remuneration Paid.

Includes:

- commission payments to independent real estate agents and brokers.

4. Professional and business service fees (e.g., legal, accounting)

Includes the following fees:

- legal;
- accounting and auditing;
- consulting;
- education and training;
- data processing;
- research and development;
- architect;

- appraisal;
- management and administration.

5. Outsourcing (include work contracted out such as payments to freelancers, personnel suppliers, artists, etc.)

Outsourcing refers to the purchasing of services from outside of the company rather than providing them in-house.

Includes:

- hired casual labour and outside contract workers.

6. Charges for services provided by your head office

Includes:

- parent company reimbursement expenses and interdivisional expenses.

7. Cost of goods sold – if applicable (purchases plus opening inventory minus closing inventory)

Report cost of purchased goods that were resold during the reporting period. If applicable, report cost of goods and material used in manufacturing of sold products.

Includes:

- goods purchased for resale: purchases during the period (including freight-in) **plus** opening inventory **less** closing inventory;
- materials used in manufacturing of products sold: report **only** the material component of cost of finished manufactured goods that were sold during the reporting period.

Excludes:

- direct and indirect labour costs (salaries, wages, benefits, and commissions);
- overhead and all other costs normally charged to cost of goods sold, such as depreciation, energy costs, utilities, sub-contracts, royalties, transportation, warehousing, insurance, rental and leasing; these expenses should be reported elsewhere in the detailed categories provided.

8. Office supplies

Includes:

- office stationery and supplies, paper and other supplies for photocopiers, printers and fax machines;
- diskettes and computer upgrade expenses.

Excludes:

- postage and courier;
- telephone, Internet and other telecommunication expenses (please report this amount in this section, at question 15).

9. Rental and leasing (include rental of premises, equipment, motor vehicles, etc.)

Includes:

- lease rental expenses, real estate rental expenses, condominium fees and equipment rental expenses;
- motor vehicle rental and leasing expenses;
- computer and peripheral expenses;
- studio lighting and scaffolding, and other machinery and equipment expenses;
- fuel and other utility costs covered in your rental and leasing contracts.

10. Repair and maintenance (e.g., property, equipment, vehicles)

Includes expenses for the repair and maintenance of:

- buildings and structures;
- vehicles (including vehicle fuel);
- machinery and equipment;
- security equipment;
- costs related to materials, parts and external labour associated with these expenses.

Also **includes** janitorial and cleaning services and garbage removal.

11. Insurance (include professional liability, motor vehicles, etc.)

Includes:

- professional and other liability insurance;
- motor vehicle and property insurance;
- executive life insurance;
- bonding, business interruption insurance and fire insurance.

Insurance recovery income should be deducted from insurance expenses.

12. Advertising, marketing and promotions (report charitable donations at question 22)

Includes:

- newspaper advertising and media expenses;
- catalogues, presentations and displays;
- meeting and convention expenses;
- tickets for theatre, concerts and sporting events for business promotion;
- fundraising expenses.

13. Travel, meals and entertainment

Includes:

- passenger transportation, accommodation and meals while travelling;
- other travel allowances as well as meal, entertainment and hospitality purchases for clients.

14. Utilities (include gas, heating, hydro, water)

Includes:

- diesel, fuel wood, natural gas, oil and propane;
- sewage.

Excludes:

- energy expenses covered in your rental and leasing contracts;
- vehicle fuel.

15. Telephone, Internet and other telecommunication expenses

Includes:

- charges for telephone, fax, cellular phone or pager services;
- Internet access charges and expenses for cable and satellite transmission of television, radio and music programs.

16. Property and business taxes, licences and permits

Includes:

- property taxes paid directly and property transfer taxes;
- vehicle licence fees;
- beverage taxes and business taxes;
- trade licence fees;
- membership fees and professional licence fees.

17. Royalties, rights, licensing and franchise fees

Includes:

- amounts paid to holders of patents, copyrights, performing rights and trademarks;
- gross overriding royalty expenses and direct royalty costs;
- resident and non-resident royalty expenses;
- franchise fees.

18. Delivery, warehousing, postage and courier

Includes:

- amounts paid for courier, customs, delivery and installation;

- distribution, ferry charges and cartage;
- freight and duty, shipping, warehousing and storage.

19. Financial service fees (e.g., bank and credit card charges)

Includes:

- explicit service charges for financial services;
- credit and debit card commissions and charges;
- collection expenses and transfer fees;
- registrar and transfer agent fees;
- security and exchange commission fees;
- other financial service fees.

Excludes:

- interest expenses.

20. Interest expenses

Please report the cost of servicing your company's debt.

Includes interest on:

- short-term and long-term debt;
- capital leases;
- bonds and debentures and mortgages.

21. Amortization and depreciation of tangible and intangible assets

Includes:

- direct cost depreciation of tangible assets and amortization of leasehold improvements;
- amortization of intangible assets (e.g., amortization of goodwill, deferred charges, organizational costs, and research and development costs).

22. Charitable donations

Please report charitable or political donations.

23. Bad debts

A bad debt is the portion of receivables deemed uncollectible, typically from accounts receivable or loans.

Includes:

- allowance for bad debts.

Bad debt recoveries are to be netted from bad debt expenses.

24. All other expenses (please specify)

Includes:

- amounts not included in questions 1 to 23.

25. Total expenses

The sum of questions 1 to 24.

26. Corporate taxes (if applicable)

Includes:

- federal, provincial and territorial current income taxes and federal, provincial and territorial provision for deferred income taxes.

27. Gains (losses) and other items

Includes:

- realized gains/losses on disposal of assets and realized gains/losses on sale of investments;
- foreign exchange gains/losses, subsidiary/affiliate share of income/losses and other division income/losses;
- joint venture income/losses and partnership income/losses;
- unrealized gains/losses, extraordinary items, legal settlements, and other unusual items;
- write-offs.

28. Net profit/loss after tax and other items

Total revenue **less** Total expenses **minus** Corporate taxes **plus** Gains (losses) and other items.

F - Industry Characteristics

Please **exclude** federal, provincial or territorial sales tax collected for remittance to a government agency.

1. Rental income – residential properties (apartments, houses, etc.)

Includes:

- apartments;
- single family homes;
- semi-detached or row houses.

2. Rental income - non-residential properties (office building, shopping malls, etc.)

Includes:

- shopping centres;
- plazas;
- stores;
- office buildings;
- factories;
- warehouses;
- recreational spaces;
- convention spaces in hotels,
- convention centres.

3. Rental income - self storage mini-warehouses

Includes:

- rooms;
- compartments;
- lockers;
- containers;
- outdoor spaces.

4. Rental income - other real estate property (mobile home parks, land, etc.)

Includes:

- mobile home parks;
- industrial parks;
- land;
- railroad property.

5. Property management fees

Please report revenue generated by managing real estate properties on behalf of the property owners.

6. Revenue from goods purchased for resale as is (drinks, food, games, etc.)

Includes:

- soft drinks;
- food;
- games;
- laundry detergent, etc.

7. Other sales (please specify)

Includes:

- coin-operated laundry services;
- parking;
- bad debt recoveries,
- operating subsidies
- any other operating revenue not reported above.

8. Total sales

The sum of amounts reported at questions 1 to 7.

9. Percentage of total revenue from real estate investment trust

Please report your percentage of total revenue from real estate investment trust (REIT).

Selected expenditure information

Please report expenses **excluding** the portion of federal, provincial or territorial sales tax refunded by government. If your bookkeeping practices make this impossible, please indicate which refunds are included.

10. Property management fees paid

Please report expenses generated by hiring a property management firm to manage an owner's real estate property.

11. Real estate commissions paid

Please report commissions paid to an agent or middleman for providing the service to the vendor or purchaser of bringing together the two parties to a transaction.

12. Value of inducements to tenants

Includes:

- leasehold improvements;
- loan interest;
- free rent;
- paid moving expenses.

Please only report the amount of expenses you capitalized during the reporting period.

13. Transfer taxes and lot levies paid

Please report expenses related to transfer taxes and lot levies.

14. Property taxes paid

Please report taxes paid on vacant land and buildings.

15. Mortgage interest paid

Please report the interest portion of the mortgage payments.

Excludes:

- interest expenses related to bank loans.

Property information

16. Number of buildings owned and/or managed at year end

Please report the number of buildings you owned or managed at the end of the reporting period.

17. Number of rental units owned and/or managed at year end

Please report the number of units you owned or managed at the end of the reporting period.

18. Square feet rented or leased (non-residential only)

Please report the number of square feet you rented or leased at the end of the reporting period.

Renovations and alterations

Definition of **additions**:

Structural extensions or additions to the property (such as rooms, decks, garages, carports, garden sheds, etc.), swimming pools, fences, patios, driveways and major landscaping.

Definition of **renovations**:

Work done that was intended to upgrade the property to acceptable building or living standards, rearrange the interior space, and modernize existing facilities in order to suit changing needs without changing the type of occupancy.

Includes jobs such as:

- remodelling rooms;
- adding or replacing doors and windows;
- renovating exterior walls and balconies;
- upgrading insulation;
- adding eavestroughs.

Also **includes** any finishing in new homes, and the cost of any equipment and built-in appliances that were part of the renovation project.

Definition of **replacement of equipment**:

Installation of equipment that replaces an existing unit.

Includes:

- upgrading to a superior quality of equipment and conversion from one type of unit to another (such as replacing an electric hot water heater with a gas-fuelled unit).

Definition of **new installations**:

The installation of equipment that did not previously exist on the property or that was installed in addition to the equipment on the property.

Includes, for example:

- the installation of a shower stall in what had been a half-bathroom;
- the installation of security equipment;
- the installation of a ceiling fan;
- the installation of light fixtures.

19. Total capital expenditures

Please report the total value of investment or capital expenditures which comprises additions, renovations or alterations, replacement and new installations of equipment.

G - Personnel

To fully measure the contribution of all human capital in this industry, we require information on the number of owners, partners and proprietors as well as the number and classification of workers.

1. Number of non-salaried partners and proprietors (if salaried, report only at question 2 below)

For unincorporated businesses, please report the number of partners and proprietors for whom earnings will be the net income of the partnership or proprietorship.

2. a) Number of paid employees (based on year end T4 payroll summaries)

Includes:

- all employees who were issued a T4 for the period covered by this survey.

Excludes:

- non-salaried partners and proprietors reported at question 1 above.

b) Percentage of paid employees who worked full time

Full-time employment consists of persons who usually work 30 hours or more per week. Please specify the percentage of paid employees who have been working full time by rounding the percentage to the nearest whole number.

3. Number of contract workers (for whom you did not issue a T4, such as freelancers and casual workers)

Contract workers are not employees, but workers contracted to perform a specific task or project in your organization for a specific duration, such as self-employed persons, freelancers and casual workers. These workers are not issued a T4 information slip. Please report the number of contract workers employed by your organization during the fiscal year.

4. Number of volunteers (including unpaid interns and co-op students) during the reporting period (estimates are acceptable)

Please report the number of unpaid workers employed by your organization during the fiscal year.

Includes:

- unpaid interns and co-op students.

5. Total number of hours worked by volunteers during the reporting period (estimates are acceptable)

Please report the number of hours recorded by your organization for the work performed by volunteers during the fiscal year.

K - Provincial/Territorial Distribution

This section is intended to collect information on the locations operated by your business during the reporting period.

Please report the number of permanent business units/locations operating in Canada during the reporting period. Business unit is defined as the lowest level of the firm for which separate records are kept for such details as revenue, expenses and employment.

Please report data for the provinces or territories in which you have business units.

Please indicate if you are reporting in **either** Canadian dollars **or** percentages.

General Information

Survey Purpose

Statistics Canada conducts this survey to obtain detailed and accurate data on this industry, which is recognised as being an important contributor to the Canadian economy. Your responses are critically important to produce reliable statistics used by businesses, non-profit organizations and all levels of government to make informed decisions in many areas.

The information from this survey can be used by your business to benchmark your performance against an industry standard, to plan marketing strategies or to prepare business plans for investors. Governments use the data to develop national and regional economic policies and to develop programs to promote domestic and international competitiveness. The data are also used by trade associations, business analysts and investors to study the economic performance and characteristics of your industry.

Data-sharing Agreements

To avoid duplicating surveys and to ensure more uniform statistics, Statistics Canada has entered into data-sharing agreements with many provincial and territorial statistical agencies.

The objective of these data-sharing agreements is to share data from some surveys for those business establishments operating within their respective jurisdictions. **These agreements require that the shared data be used only for statistical purposes and be kept confidential.** Survey participants are always informed at the time of collection if a sharing agreement applies to a particular survey.

There are two types of data-sharing agreements that exist under the *Statistics Act*.

Agreements under Section 11 of the *Statistics Act* allow the sharing of information from the Unified Enterprise Survey program with the statistical

agencies of Newfoundland and Labrador, Nova Scotia, New Brunswick, Quebec, Ontario, Saskatchewan, Alberta, British Columbia and Yukon. These statistical agencies have been established under provincial and territorial legislation authorizing them to collect this information on their own or jointly with Statistics Canada. Their legislation also provides the same confidentiality protection and outlines similar penalties for disclosure of confidential information as the federal *Statistics Act*.

Agreements under Section 12 of the *Statistics Act* allow the sharing of information from the Unified Enterprise Survey program with the statistical agencies of Prince Edward Island, the Northwest Territories and Nunavut. All these Section 12 agreements require that the information be kept strictly confidential.

Under Section 12, you may refuse to share your information with any of these agencies by writing a letter of objection to the Chief Statistician of Canada and returning it with your completed questionnaire. Please specify those agencies from which data shall be withheld.

Please note that Statistics Canada does not share any individual survey information with the Canada Revenue Agency.

For more information about these data-sharing agreements, please contact Statistics Canada at **1 888 881-3666** or visit our website at **www.statcan.ca**.

Thank you!
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