



Real estate crowdfunding: What you need to know before you invest

Real estate crowdfunding has gained popularity as an easy way to invest in property without committing a large amount of money. While these opportunities can be appealing, it's important to understand what you're signing up for and the level of risk you are taking. This article breaks down real estate crowdfunding and key factors to consider when making investment decisions.

What is real estate crowdfunding?

Real estate crowdfunding allows multiple people to pool their money to invest in proposed real estate projects. Instead of owning a property outright, investors own shares in a company involved in the project with potential returns paid out at a later date, often years. These crowdfunded investments fall into two categories:

- **Equity investments:** You own equity shares of an entity, which may increase (or decrease) in value over time. When the shares are sold, the value of the shares is returned to you.
- **Debt investments:** You lend money to a corporate entity by way of a loan. You earn interest over time and when the shares are sold, the amount you lent should be returned to you. Debt can either be secured against the property or unsecured.
- It's important to know that you won't own the property directly. Instead, your investment is tied to the expertise of the company developing the project.
- Here are some questions to ask before jumping into this type of real estate opportunity:

Who owns the property, and who manages it?

- Confirm whether the property's title is held by the corporate entity you are purchasing shares in or another entity. Knowing the ownership structure will help you understand the risks tied to your investment.

Are the expected returns realistic based on current market conditions?

- Be wary of overly optimistic projections. Even completed projects can face cost overruns, and actual returns may not align with initial projections. There is no such thing as a guaranteed return; market forces and other unpredictable factors influence investment outcomes, especially for long-term investments.

How much debt is on the property, and what is the repayment plan?

- Projects requiring significant debt can put your



investment at risk since debt is repaid before equity. Investigate how much debt the project requires and whether it comes from private lenders, who typically charge higher interest rates than traditional banks. Unsecured debt is riskier than secured debt. When there are multiple lenders, the position of the debt on the property's title affects the risk level of the loan. Lower-priority debt on the title is riskier because higher-priority debt is repaid first.

How experienced is the developer or project manager?

- A developer's track record plays a critical role in project success. Developers with experience in completing projects with a history of returning money to investors are typically more reliable. On the other hand, new developers or those with multiple unfinished projects may lack the experience needed to navigate challenges. New developers often face a learning curve and might be overly optimistic about returns and timelines, while seasoned developers may be more realistic and less likely to overpromise.

Is the crowdfunding platform registered with the Alberta Securities Commission or operating under an exemption?

- Some crowdfunding platforms are operated by registered dealers who specialize in assisting private companies to raise capital. Other platforms, whose only business is crowdfunding, operate under an "exemption" from registration. Registration-exempt platforms have been vetted and approved by the Alberta Securities Commission but are not allowed to provide any investment advice or assess whether a particular investment is appropriate for individual investors. These platforms are only allowed to accept a maximum investment of \$2,500 per person.



www.vadsociety.ca; vad@vadsociety.ca
Follow us on Facebook and Twitter: @VADisabilities

Check the platform's status on CheckFirst.ca to see if it is registered or operating under the crowdfunding exemption.

Is the company raising money transparent about its operations?

- Transparency is essential. If the company raising money for the project cannot explain how funds will be used or refuses to provide supporting documents, treat this as a red flag. Look for details about fees, ownership structure, project management and how the funding is allocated.

What fees and costs will you pay?

- Real estate management often involves multiple fees for property management and administration. These fees can eat into your returns. Ask for a full breakdown of fees, determine who benefits from them, and ensure they are reasonable compared to industry averages.

Are there conflicts of interest?

- Investigate related-party transactions, such as properties purchased from affiliates of the company raising money for the project. Check whether the property was sold at a price that an independent third party assessed as being fair and examine relationships between property developers, property managers and the company raising the money for the real estate project. Close ties could lead to biased decisions that negatively impact investors.

Beyond these considerations, understand that while real estate crowdfunding offers a unique way to invest in property, it's not without risks. These investments are often illiquid, meaning you are not able to access your money quickly. Returns are also not guaranteed and depend heavily on project management expertise, the success of the project and the broader real estate market. Before investing, make sure you have a clear picture of how this opportunity fits into your overall financial goals and risk tolerance. Doing your due diligence is key. Take the time to research each opportunity, ask critical questions, and/or consult with a registered financial advisor, if needed. Your investment decisions should empower you to build a strong, diversified portfolio while protecting your financial future.

Damilola Ibirinde
Advisor, Investor Awareness & Education
Alberta Securities Commission
Suite 600, 250-5th Street SW, Calgary, AB, T2P 0R4
Phone: 403.355.1504 Fax: 403.297.6156
Email: Damilola.Ibirinde@asc.ca

Alberta Disability Assistance Program

<https://www.alberta.ca/alberta-disability-assistance-program>

Provides financial, health and personal supports to Albertans with permanent and short-term disabilities who are able to work.

Purpose

The Alberta Disability Assistance Program (ADAP) will empower Albertans with disabilities to pursue fulfilling job opportunities while continuing to receive the financial, medical and personal supports they need.

Albertans with disabilities and the organizations that support them have made it clear that they want supports that meet their unique needs and abilities, rather than the current one-size-fits-all solution offered by the longstanding Assured Income for the Severely Handicapped (AISH) program. Albertans with disabilities stressed the importance of providing pathways to employment for individuals who are able to work but still need to receive benefits, and AISH is not designed to provide this type of support.

ADAP was thoughtfully designed based on input from Albertans with disabilities to address a gap in supports for individuals with disabilities who are able to work and want to enjoy the benefits that come with employment, such as earning a paycheque, building relationships, developing skills, and providing a sense of purpose, belonging and independence.

How it works

Albertans on ADAP will also have access to the resources and tools they need to gain new skills and be empowered to work to their full potential.

Starting in July 2026, the new Alberta Disability Assistance Program will become operational and disability income assistance applicants will be assessed for both the new program and AISH. Eligible applicants will be placed in the program best suited to their unique situation. If deemed eligible for AISH or ADAP, applicants will receive the difference in benefits retroactively to the date that their complete application was submitted.



There will be a single combined application for AISH and ADAP, and an applicant's needs and situation will determine which program they are eligible for. In general, people with a permanent

Together. We Hold the Power!

Full Participation - Accessibility - Equity



www.vadsociety.ca; vad@vadsociety.ca
Follow us on Facebook and Twitter: @VADisabilities

and severe disability who are unable to work will be eligible for the AISH program, while those with disabilities who are assessed as able to work will be eligible for ADAP. ADAP clients can apply for reassessment for AISH if their medical condition or ability to work changes.

All existing AISH clients will be assured a place in either the new Alberta Disability Assistance Program or the AISH program. Those currently on AISH will continue to receive their existing benefits until they are able to be placed in the program best suited to their unique situation and can rest assured that their care and wellbeing will be prioritized as the new program is implemented.

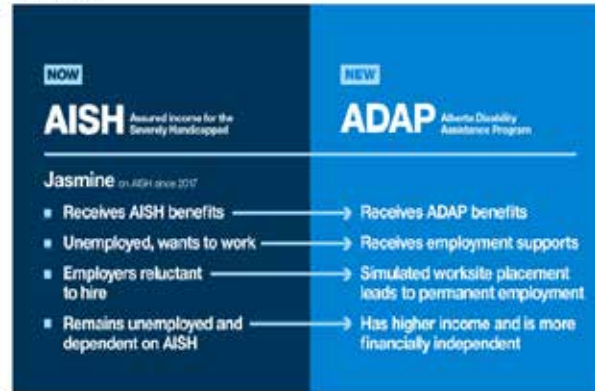
Benefit rates and earned income exemptions for ADAP are still being decided, and more information will be shared in the near future. Alberta provides some of the most comprehensive supports amongst provinces for people with disabilities, and Alberta's government is committed to ensuring that the province continues to have the best disability programs in Canada.

There is no maximum program duration for ADAP - clients will receive supports for as long as they need.

ADAP will provide higher earning exemptions than any other program, meaning Albertans on ADAP can earn more from working while continuing to receive their financial benefits. Monthly benefits will be gradually reduced as employment income increases.

The new program will include the same robust health benefits as AISH. Albertans on ADAP will be able to receive the health benefits they need, regardless of their employment income. Once a person reaches the maximum earnings and is no longer eligible for monthly financial benefits, they will continue to be

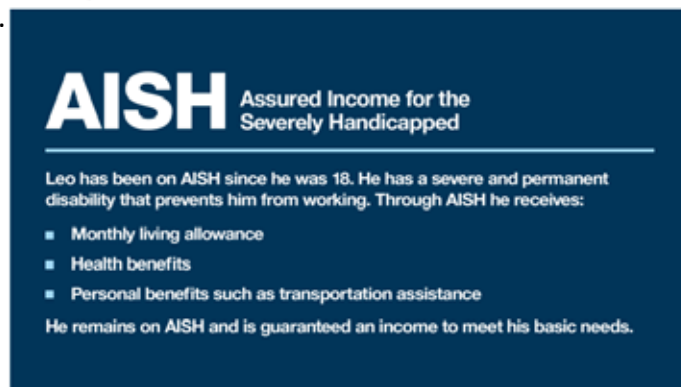
Case study #1



Case study #2



Case study #3



eligible for health benefits, up to age 65, when they transition to seniors' health benefit programs.

Through ADAP, Albertans with disabilities will not only receive the financial and health benefits they rely on, but they also will have access to the resources and tools they need to gain new skills and work to their full potential. To support this, Alberta's government will be investing more to expand employment supports and encourage private sector employers to break down barriers to employment for people with disabilities.

The new program will include the same robust health benefits as AISH. Albertans on ADAP will be able to receive the health benefits they need, regardless of their employment income. Once a person reaches the maximum earnings and is no longer eligible for monthly financial benefits, they will continue to be eligible for health benefits, up to age 65, when they transition to seniors' health benefit programs.

Through ADAP, Albertans with disabilities will not only receive the

financial and health benefits they rely on, but they also will have access to the resources and tools they need to gain new skills and work to their full potential. To support this, Alberta's government will be investing more to expand employment supports and encourage private sector employers to break down barriers to employment for people with disabilities.



Together, We Hold the Power!

Full Participation - Accessibility - Equity



www.vadsociety.ca; vad@vadsociety.ca
Follow us on Facebook and Twitter: @VADisabilities

NAAW 2025, May 25 - 31

National Accessibility Week (NAAW) improves understanding and knowledge of Canadians on accessibility and disability inclusion, reduces stigma and attitudinal barriers towards persons with disabilities, and shares best practices and lessons learned related to NAAW activities within the disability community. 2025 May 25 to 31

National AccessAbility Week (NAAW) takes place every year starting on the last Sunday in May. It is an opportunity to celebrate the valuable contributions of Canadians with disabilities. It is also a time to recognize the efforts of individuals, communities and workplaces that are actively working to remove barriers to accessibility and inclusion.

Purpose:

Organizations will increase awareness through National AccessAbility Week (NAAW) activities that:

- improve understanding and knowledge of Canadians on accessibility and disability inclusion
- reduce stigma and attitudinal barriers towards persons with disabilities
- share best practices and lessons learned related to NAAW activities within the disability community
- include plans for the participation of persons with disabilities in the overall project design and delivery of associated activities
- include plans to test, learn and scale-up project activities, so that they can reach more people, communities and build more partnerships
- support NAAW activities within underrepresented communities (e.g., Official Language Minority Communities (OLMCs), 2SLGBTQIA+, Indigenous (First Nations, Métis and Inuit), minority communities, including Black and other visible minority groups)
- applications based on geographical distribution to have coverage across Canada
- applications that include multi-sectoral partnerships, such as, partnerships with organizations from various sectors, including:
 - academia
 - retail
 - health, and
 - financial sectors
- applications that include partnerships among diverse groups from within the disability community for example:
 - small to medium size disability organizations
 - organizations supporting different types of disabilities; and
 - organizations supporting persons at the

intersection of disability and other identities

- Accessible and inclusive services
- Accessible services are effective services designed and delivered for persons with disabilities. These services avoid barriers so that everyone can use them. For example, offering sign language or captions for people who are deaf or hard of hearing.
- Inclusive services make everyone feel like they belong, no matter who they are or where they come from. They are made to feel welcome, valued, and respected. For example, providing services that treat people of all gender- identities equally and with respect.

Attitudinal barriers

- Attitudinal barriers are unfair or negative opinions about others because of disability, race, gender, or age, or intersectionalities. These attitudes develop over time and come from both inside and outside experiences. They can make it hard to communicate well, understand and connect with others.

Community

A group of people who share something in common. A community can be formed from:

- geographic location
- identity factors
- shared experiences, or
- other attributes

These attribute(s) create a sense of belonging or interpersonal connection among its members.

Disability

The Accessible Canada Act defines disability as: “Any impairment, including a physical, mental, intellectual, cognitive, learning, communication or sensory impairment — or a functional limitation — whether permanent, temporary or episodic in nature, or evident or not, that, in interaction with a barrier, hinders a person’s full and equal participation in society”.

This definition is based on the social model of disability.

Disability community

The disability community is a group of people who share a common experience of living with disabilities.

Disability organization

An organization whose primary mandate promotes or contributes to the social inclusion of persons with disabilities.



Disability supports

Disability supports are things that help people with disabilities live their lives. This can include a

Together, We Hold the Power!

Full Participation - Accessibility - Equity



www.vadsociety.ca; vad@vadsociety.ca
Follow us on Facebook and Twitter: @VADisabilities

range of services, devices and accommodations designed to enhance the quality of life and independence of individuals with disabilities. For example, this can include;

- tools such as wheelchairs or hearing aids,
- people who assist with daily tasks, or
- changes in schools or workplaces to make them easier to use

Diverse groups/organizations

These include:

- small to medium-sized disability organizations
- organizations supporting different types of disabilities
- organizations supporting persons at the intersection of disability and other identities. This can include:
 - Official Language Minority Communities (for example, Francophones living outside the province of Quebec and Anglophones living in the province of Quebec)
 - 2SLGBTQIA+ persons/groups
 - Indigenous (First Nations, Métis and Inuit)
 - Visible minority communities including Black and other racialized groups

Intersectional identities

There are multiple and diverse intersecting identity factors that shape our perspectives and experiences. Examples of intersecting identity factors that may in-

tersect include but are not limited to:

- gender identity
- sexual orientation
- living with or have lived with a disability
- racial or ethnic background

Outcomes answer the question, “how do the project activities make things better for clients?”

Outputs are direct products, services, or partnerships that may be created to generate the desired outcomes. Several activities can contribute to one output. Outputs answer the question, “what will the funding produce?”

Stigma is when people have bad attitudes, beliefs or behaviours about a group of people because of their life situation. It makes them feel alone or left out.

Underrepresented communities Include, but are not limited to:

- 2SLGBTQIA+ persons/groups
- Official Language Minority Communities
- persons residing in rural and remote areas
- Indigenous communities (First Nations, Métis, and Inuit)
- minority communities including Black and other racialized groups, etc.

What are you doing for NAAW?

Voice of Albertans with Disabilities will be hosting a NAAW Wrap Up Community BBQ on May 31, 2025.

Members, volunteers, general public, stakeholders, and government officials are all invited to join us in Borden Park for this event to wrap up National AccessAbility Week. We will provide food, refreshments, and networking opportunities for everyone attending.

Watch for the registration and event information to come out in April. Please send your organizations' NAAW plans to VAD to promote to our membership for participation, email vad@vadsociety.ca.



Together, We Hold the Power!

Full Participation - Accessibility - Equity



www.vadsociety.ca; vad@vadsociety.ca
Follow us on Facebook and Twitter: @VADisabilities

Voice of Albertans with Disabilities is hoping to interest businesses, Indigenous Communities and Multi-Cultural Centres in an information session. I feel that many families could benefit from VAD's services.

The initial presentation is free, with follow up dates on a fee per service basis.

In our presentation we discuss services offered by VAD Society, specifically AISH, CPPD, DTC and OAS form assistance. We also offer some parenting resources and indigenous resources in our presentations.

We are presenting to Samson Cree Nation on February 27, 2025. We are hoping to schedule more presentations in 2025. Please let us know if you are interested in this presentation and we will arrange it. The presentation about VAD is approximately 30 minutes, the AISH presentation is about 30 minutes and the disability awareness presentation is about 30 minutes. VAD would book a block of time with your organization or business to present and answer questions. These presentations are great for front line staff working with the public who fill out forms or those that refer to VAD for form assistance.

Presentations can be in-person or virtual, and if necessary we can provide ASL interpreters for accommodation needs.

WE INVITE YOU TO HOST A

VIRTUAL LUNCH N' LEARN

BOOK TODAY

LEARN ABOUT VAD SERVICES

Voice of Albertans with Disabilities offers many services. Learn about the great work we do and how we can collaborate with your organization today.

FREE EVENT



www.vadsociety.ca

VAD Services include:

- Disability Awareness Presentations
- Accessibility Assessments & Training
- One-to-One Support & Referrals for AISH, CPPD, DTC, LAP, and more.

BOOK TODAY! ↓

MORE INFORMATION:
[780-488-9088](tel:780-488-9088) OR [VAD@VADSOCIETY.CA](mailto:vad@vadsociety.ca)



john-brady-mcdonald-just-stick-feathers-on-it.jpg

Together, We Hold the Power!

Full Participation - Accessibility - Equity