MELCOR

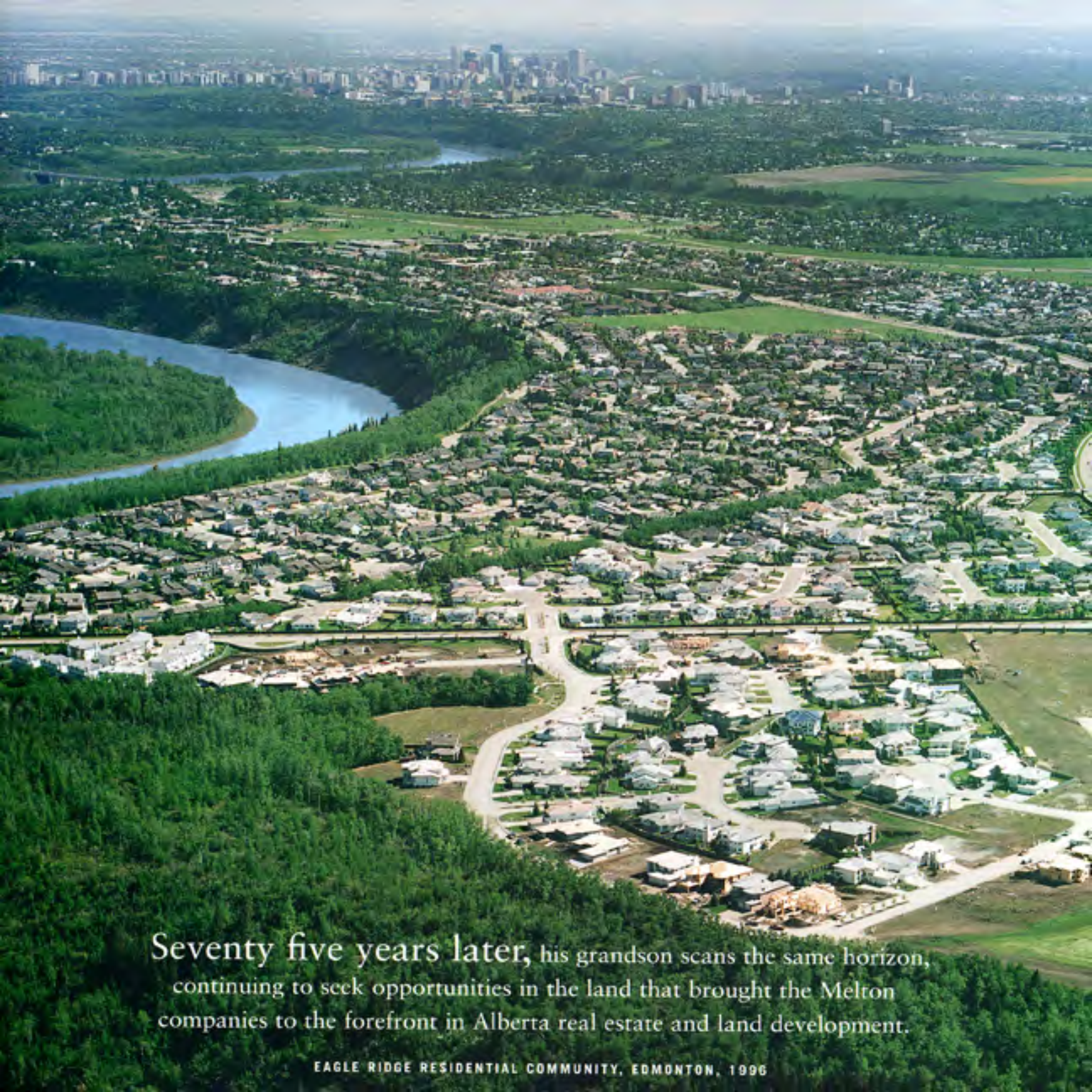
75 YEARS OF MELCOR DEVELOPMENTS LTD.

Providing shelter to families and businesses has been a tradition for three generations of this down-to-earth Alberta Company.

We are proud to tell you the story of Melcor Developments Ltd., an Alberta family business that spans three generations. This publication is a tribute and thank you to those who untiringly contributed to Melcor and its predecessor Melton Real Estate over the past 75 years. We also express appreciation to our many customers who have placed confidence in our service and product through the years. Although proud of our past, we know continued success rests in the future. At Melcor the operative word is Tomorrow, not yesterday, and we look forward to serving the generations ahead. Tim Melton, 1998

LOUIS TIMOTHY MELTON
SEPTEMBER 11, 1926 IN JASPER PLACE

It began with a man scanning
Edmonton's west horizon, exploring
opportunities and helping young families
purchase homes of their own,
a dream he held dear.



Seventy five years later, his grandson scans the same horizon, continuing to seek opportunities in the land that brought the Melton companies to the forefront in Alberta real estate and land development.

EAGLE RIDGE RESIDENTIAL COMMUNITY, EDMONTON, 1996

23

Nineteen Twenty Three to Nineteen Forty Five

45

laying

"Timothy Melton had dreams and he dared to live by them. One was that young people should start out a marriage in a home of their own. He built the foundation for his son's business success by encouraging young people in every way, to acquire a home of their own." - Letter from a friend, 1976

the foundation

Stanley Investment Company building
In 1924 - 25, this house/office was located on the site of Edmonton Centre's Woodward's store. The Melton family lived on the second floor for a short period.

L.T. (Timothy) Melton came to Edmonton from Winnipeg in 1918 with his young bride Doreen. He learned the real estate business in the offices of Allan, Killam, McKay and Greene from 1918 to 1922.

In 1923, he opened the Stanley Investment Company, named after his young son. Timothy specialized in west Edmonton and the community of Jasper Place.

Timothy and Doreen provided their three children Stan, Mignonne and Mike with little material wealth. But they passed on a fortune of gifts including the values of integrity and honesty, and a love of people. The richness of his upbringing established the foundation for Stan Melton, who would become respected and admired for his trustworthy business values.

Three-year old Stan eating with a family friend while little sister Mignonne looks on. Tim (right) and Doreen (front right) enjoying time with family and friends. (c.1922, Courtesy M. Wharry)

Mike, Timothy and Stan Melton in the family home about 1950.

Timothy Melton sold lots for $100 each with a $5 down payment at $5 a month. Many families lived in tents on their property while their houses were built.

In 1932, the Company's name changed to L.T. Melton Realty. Working primarily independently until 1942, Tim hired a resourceful prospect, Bill Aitken, from the Hinton coal mines that year to help in the new Jasper Place office at 149 Street and Stony Plain Road.

Timothy's business was primarily a one-man operation. But all the time, he was laying a solid and respected foundation for those who would follow in his footsteps.

In the summer of 1945, upon returning from distinguished service in World War II, Stan Melton assisted his father by working for Bill Aitken in the Jasper Place office. Stan's enthusiasm, people skills and business sense proved too valuable to let him go farming, his original plan. He was hooked on real estate.

One of Melton's most significant transactions to date took place in 1949. Timothy met with "two butter and egg men" – his term for high-class investors. After a tour of available properties, he soon returned holding the sales agreement that provided the land for Edmonton's first outdoor theatre, the Starlight Drive-In at 156 Street and 87 Avenue. Recalls Bill Aitken: "Mr. Melton didn't make any commission on that deal. He did it out of his commitment to Jasper Place. He spent the morning negotiating with those fellows and the dairy farmer who owned the land."

The Starlite Drive-In Theatre
Edmonton's first outdoor theatre, was located at the corner of 156 Street and 87 Avenue, then Jasper Place.

45 73

Nineteen Forty Five to Nineteen Seventy Three

the

"... A salesman's pride is based on his sense of responsibility as the personal representative of the company which employs him. Personal integrity is the keystone of true professionalism." - Stan Melton, 1972

building years

Leduc Number One Oil Well, 1947.
(EA-10-3164)

The discovery of oil at Leduc in 1947 spurred an economic boom in the Edmonton area. Combined with the post-war baby boom, it was an exciting time. The local real estate market offered many opportunities for those with ambition and initiative. The Melton men were keen.

Melton Real Estate Christmas Party, 1948. Many of these valuable members of the1948 Melton staff were instrumental in moving the Company forward through the next two decades – each with a fire in his belly and moxie to burn. Real estate service and sales had been redefined.

Back row: Al Larson, Murray Beckhuson, Dennis Stewart, Jim Aitken, George Wharry, Jim Mace, Mike Melton, Bill Hunter, Phil Buttar, Bill Aitken, Fred Hickey, George Hodge, Carl Nelson, Bill Hoighs, Glenna Harris, Martha Wackerhouser, Dorothy Insley, Stan Melton, (unidentified), Margarite Fisk, Eva Krowko, Freda Newman, John Underschultz, Lou Bissionette, Bert Sladden, Jean Little. (These people were kindly identified by Eva Wengreniuk many years after this picture was taken.) Photo Courtesy E. Wengreniuk

Stan and Timothy shared the belief that to succeed a business must grow. The organization was ripe for expansion, and they initiated a plan which would take the marketing of real estate in a progressive new direction. Melton Real Estate opened branch offices throughout Edmonton, and beyond.

Max Kaplan and Joyce Berge take a break in front of the Glenora Branch in the 1950s.

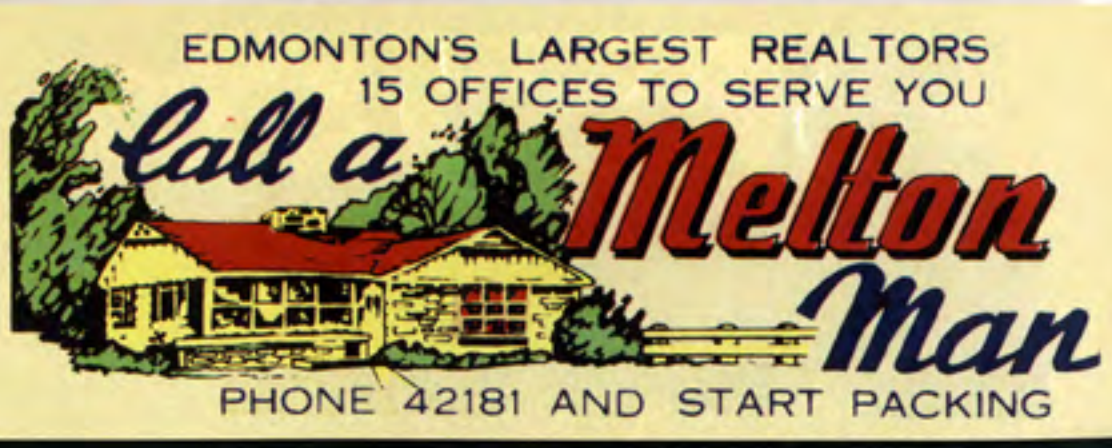
The Southwest Branch staff in 1967, left to right: Mike Damberger, Walter Tederoff, Don Clark, Garnet MacTaggart, Rose Marie Janzen, Manager Garf Bennett, Jim Schrader, Barney Bjarnson, Dick Thompson, Ian MacKinnon and Tom Heisler.

In 1947, Stan bought the Company from his father whose health was failing. Although ill, Timothy knew he was leaving the business in his son's good hands. In 1951, he died of a heart attack.

By 1953, Edmonton's population was 170,000. There were 16 Melton branch offices, each one strategically situated in a separate section of the city to provide specialized service to that area. Thus the Company had up-to-date market data and a competitive advantage.

This progressive style of real estate teamed with a top-notch trained sales staff took the Edmonton real estate market by storm. In 1948, Melton Real Estate recorded sales of $3,600,000. The following year, as branch offices opened, sales were up to $4,800,000.

MELTON SALES FIGURES



The famous 'Call a Melton Man and Start Packing' slogan was introduced by long-time manager and family friend, Jim Aitken.

In 1953, Aitken also initiated the use of the Melton Real Estate tripod 'For Sale' sign (left) which soon dotted hundreds of front yards all over the city. Aitken was a loyal, enthusiastic salesman and manager whose innovative marketing and leadership skills greatly assisted the Company's growth.

Visibility was key. This billboard (top) and many others were placed all over Edmonton through the 1950s, '60s and early '70s.

Many sales staff cars sported a bumper sticker like the one above.

Department managers were well trained in customer service and real estate skills. They led the Company through many successful years in the 1960s and early '70s.

1970 Edmonton Department Managers
Standing: Don Clark, Ian McKinnon, Gerry Hancock, Sam Dudar, Dave Crawford, Bill Chadwick, Barry Shepherd
Seated: George Wengreniuk, Tom Henderson, Jim MacNaught, Harold Dundas, Pat Turner

1970 Calgary Department Managers
Standing: George Phelps, Vic Gramlich, Dan Danilowich, Al Larson, Carl Warren
Seated: Barney Bjornson, Garf Bennett, Ira Knechtel

MELTON REAL ESTATE LTD

PUBLIC RELATIONS

Stan believed that a satisfied customer was the key to long term success. Word-of-mouth advertising from satisfied clients was the best and most cost effective form of advertising. A form-letter questionnaire was distributed to monitor customer satisfaction of the Company's services. The following are just four examples of the hundreds of responses received:

This Melton city map was made widely available at local gas stations and hotels.

"My compliments to Mr. Serink for his honesty and helpful suggestions. At no time did I feel that I was being pressured. We are happy with our new home and thank you for the flowers – they arrived at an opportune time."
Mr. and Mrs. Hill. (September, 1966)

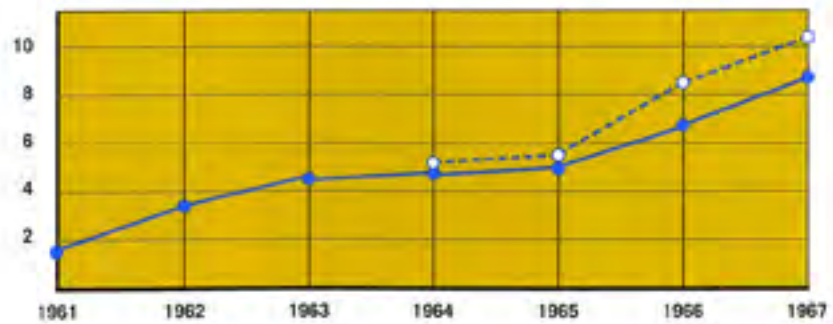
"Your system of listing things to do in preparation for moving in is to be commended. Also I was pleased to know in advance the names of my neighbours left and right. These little extras always make one feel well taken care of."
Mrs. Dorron (April, 1967)

"Discretion, co-operation and patience most pronounced! My thanks especially to Mr. Tom Heisler and his Manager, Mr. Garf Bennett."
Mrs. L.D. Maze (December, 1966)

"Our sincere Thanks to Mr. Dick Thomsen for his hard work in finding us a home. The flowers were deeply appreciated by all members of the family. Also thanks to (manager) Mr. Garf Bennett."
Mr. and Mrs. Martin (February, 1967)

The Guaranteed Sales Plan was implemented to assist in obtaining listings. The Plan was the Company's promise to purchase a customer's home enabling him to buy another home knowing that the sale of his existing home is guaranteed.

M.L.S. SALES VOLUME FROM 1967 ANNUAL REPORT
● Edmonton: Leaders for seven consecutive years
○ Calgary: Leaders for four consecutive years



In 1971, Company Secretary Jack Sherrin and General Sales Manager Harold Dundas celebrate one of Melton's 15 consecutive First Place finishes in MLS production.

RECOGNITION OF A JOB WELL DONE

Stan Melton knew his greatest asset was his trained staff that walked in the door each morning and out again every night. He recognized that his sales and administration staff must be recognized for their valuable contributions.

Top Salesmen of the Month Company management set monthly sales quotas for each office. When sales staff exceeded these goals, their names were listed and honoured in the monthly Melton Newsletter on the 'Top 10 Men of the Month' page. And Stan Melton took them all for lunch.

Service Awards From the 1950s to this day, Company staff is recognized for their long service to the organization. Each year, 5, 10, 15 even 35-year awards are presented to employees.

This is a sample of a 1960s business card.

1965 Service Award Recipients
This photograph includes Harold Dundas, Garry Holmes, Peter Stackniak, Dan Danilowich, Vic Gramlich, Joyce Berge and Stan Melton.

SUBSIDIARY COMPANIES

The Company's early plans for growth included developing fully-integrated real estate services. Melton Real Estate began opening subsidiary companies in the late 1940s to complement the brokerage business.

Through the 1940s and 1950s Stan gave key employees dynamic and responsible roles which fuelled the Company's expansion into services outside of brokerage

Melton Petroleums was established by Manager Bill Aitken to accommodate farm sellers and buyers concerned with oil and surface rights on their property. Oil wells were drilled at the Leduc, Pembina and Acheson fields. Oil and gas leases were purchased in the Terwillegar and Riverbend communities in south Edmonton. Although oil was not found on these properties, these lands remain a valuable development asset for the Company to this day.

Melton Insurance Agencies dealt with general insurance services such as fire, auto, theft and business. Directors included Murray Beckhuson, Stan Melton and Cliff Willetts.

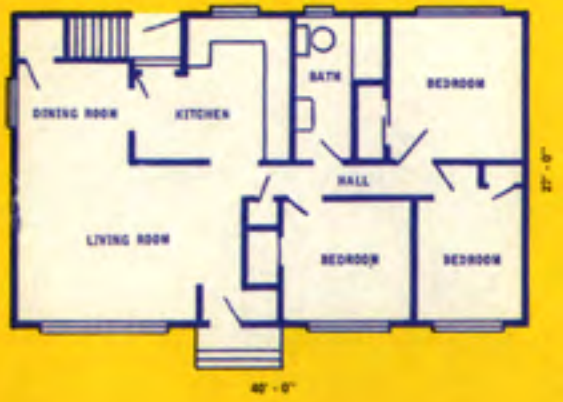
Sillton Developments was established to develop land for residential, industrial, commercial or multiple purposes. Under Jock McCracken's management, Sillton Developments developed subdivisions in west Edmonton such as Mayfield, Lynnwood, Patricia Heights and Elmwood. It also developed the Sheffield Industrial subdivision in north west Edmonton, and the 1,200 acre Forest Heights development in south east Calgary in the 1950s.

Melton Homes was the residential construction arm of the Company. First established under the name Sillton in the 1950s, it provided exclusive listings to the Brokerage Division. Peter Stackniak was the first Manager when most of the Company's construction activity was building moderate-priced housing in Jasper Place. By the early 1960s, operations were put on hold because of difficult economic conditions.

SILLTON HOMES

KEYSTONE OF SATISFACTION

Glenora



Glenora

Another fine 3 bedroom Sillton Home with L-Shaped living and dining room. Central corridor to master bedroom at rear. This exquisite home can be the beginning of a new pleasing way of life for you.

Price 12871.40

Mortgage

Down Payment 2600

Monthly Payment 83 (AT. (Interest & Principal)

Estimated. Taxes 200

(3 years Fire Insurance coverage included)

N H A APPROVED

SATISFACTION GUARANTEED OR YOUR MONEY REFUNDED

EXCLUSIVE SALES AGENTS — MELTON REAL ESTATE LTD.

This and other home designs accompanied Sillton's marketing plans of Edmonton's Mayfield community in the 1950s.

Above: This 1950s brochure accompanied Silitoe Development's marketing of Edmonton's Lynnwood community.

Right: Aerial view of Lynnwood and Jasper Place in the 1950s.

This brochure provided consumers with First Investors marketing information.

In 1971, the Company resumed residential construction in Calgary through the initiatives of Garf Bennett. Over the next 25 years, the operation expanded to Edmonton (1973), Regina (1974) Red Deer (1976) and Saskatoon (1979) and built hundreds of quality homes in all price ranges.

Trans-Canada Mortgage Corporation (Western) Ltd. opened under manager Murray Beckhuson in 1952 when mortgage financing was difficult to obtain, becoming the firm's in-house mortgage service. The ability of a real estate company to finance its own customers was unique. However, due to the eventual availability of alternate financing, this entity was successfully wound down in the 1980s by Garry Holmes.

First Investors Corporation Ltd. was established in 1954 as an alternative for financing real estate whereby investors would purchase discount mortgages. It was founded by Stan Melton and Donald Cormie, a young lawyer hired by Melton Real Estate to do its legal work. Melton, Cormie, Ralph Forster and Dennis Stewart were involved in this mortgage-purchasing enterprise. The primary role of this company was to provide mortgage funds through raising its capital from investors. The partnership between Melton and Cormie dissolved within two years.

The Melton Building, late 1960s

The Company's main office in Edmonton has been located at the corner of 103 Street and Jasper Avenue since 1966. Melton Real Estate purchased the two-storey building with plans to eventually expand. In 1973, an additional seven floors were built.

At the height of Melton Real Estate brokerage expansion, the Company served western Canada.

Instrumental in Melton's expansion were Company officers Jack Sherrin, Garry Holmes and Garf Bennett.

EXPANSION TO OTHER CITIES

During the 1950s, there were increasing numbers of corporate transfers and people moving between cities. Melton's seized the opportunity to serve this emerging market and beginning in 1955, their formula for success began to take hold across western Canada.

City	Year	Manager	City	Year	Manager
Calgary	1955	Al Larson	Winnipeg	1973	Ian McKinnon
Red Deer	1959		Regina*	1973	Al Simms
Vancouver	1958	Glen Hepner	Kamloops	1974	Al Morency
Saskatoon	1967	Bob Cody	Victoria	1974	B. Hutchinson
Vancouver*	1971	Wilf Mooney	Kelowna	1974	J. Fewell

*These markets opened due to the acquisition of local real estate firms, A.E. Austin and Co. Ltd. and Dollard and Gallagher Ltd.

Although the Company was dominated by its brokerage activities, one of its first big moves to land development began in 1973 with Calgary's West Dalhousie community. Pictured here are Stan Melton, right, and former Calgary Mayor Rod Sykes at the sod turning ceremony of West Dalhousie. Lot prices were between $28,000 and $50,000.

The Company strongly endorsed professional development in its managers.

"Your management has been chosen not just for their professionalism but for their abilities to be compatible with others, to share ideas, and most important, to develop future management within the Company's ranks." - Stan Melton

Annual Melton Management Seminar in Rocky Mountain setting (1973)

Back Row: Bill Nelson, Ralph Young, Mike Damberger, Tom Heisler, Tim Melton, Gary Peterson, Harold Dundas, Sam Dudar, Garry Holmes, Bev Marlin, Jim Sheard, Randy Murray, Dan Danilowich, Bruce Hutchinson, Ted Zaharko, Carl Warren, Wilf Mooney Second Row: Bill Reid, Bob Ellis, Casey Moroschan, Jack Craig, Pat Dailey, Pat Conner, Al Connelly, Garf Bennett, Bill Fraser, Don Garison, Ken Shearer, (unidentified), Greg Moshansky, Ian McKinnon, Glen Cooper, Orest Harashym, Hal Reynolds, Gerry Goldman, Bert Merrin, Harry Friesen, George Phelps.
Front Row: Al Sims, Grant MacTaggart, Tom Henderson, Lawrence Hauca, Stan Melton, Don Clark, Don Hauck, John Palmer, Brian Atkins, Bob Edmonson

Pictured here is Melton Real Estate's 1969 Board of Directors, left to right: Leo Lemieux, Jack Sherrin, Jock McCracken, Murray Beckhuson, Stan Melton, Garry Holmes, Georges Brosseau, Garf Bennett, Ernest Manning and Andrew Borys.

Stan Melton

"Real estate sales people, regardless of what you might think are just like any other successful professional, doctor, lawyer or engineer. They are trained and made, not born. All a person must have is honesty and common sense plus the ability to try." – Stan Melton

GOING PUBLIC

Stan Melton felt strongly that employees should have the ability to own a piece of the company for which they work. So, in 1968, when Melton Real Estate became a publicly-traded company, Stan was able to provide this kind of participation in the Company. With this move, Melton Real Estate was also able to access public markets to finance continued growth.

Melton's subsidiaries were amalgamated to form the publicly traded company Melton Real Estate Ltd. The following year, its shares were listed on the Vancouver Stock Exchange. In 1972, it was traded on the Toronto Stock Exchange, where it is still active today under the name Melcor Developments Ltd.

THE END OF AN ERA

In the early 1970s, Stan Melton's marketing, planning and financial strategies all fell into place as the Company's success ranked it number one in Western Canada. Tragically, he died of a sudden heart attack Nov. 18, 1973, at the Western Final football game between the Edmonton Eskimos and the Saskatchewan Roughriders. He was 54. The following comments reflect how Stan was remembered by a few of his fellow co-workers.

Dan Danilowich *"I think the Company's strengths and success came from exceptional top management people starting with Mr. S.L. Melton and down the line."*

Ann Greenlees *"To me, the secret to the Company's strengths and success is because Mr. Melton had the faculty of making his employees feel they were working with him, not for him.*

Sam Dudar *"Stan Melton was an outstanding leader. He treated everyone fair. He demanded honesty, production and loyalty. Stan had a way about him that he built his Company as a family team."*

Ted Zaharko *"Service was first and foremost – all aspects of the business were secondary. Melton's prided itself in its people."*

MELCOR DEVELOPMENTS LTD.

74

Nineteen Seventy Four to Nineteen Ninety Eight

98

devel

"Melcor Developments Ltd. is to be commended for its ability to adapt to changing business climates. With 75 years experience in Alberta's business world, Melcor Developments Ltd. epitomizes the tenacity and adaptability of Alberta's entreprenurial spirit..." - Ralph Klein, Premier of Alberta

oping a future

Stan Melton was a strong, charismatic leader who was well-loved by those he worked with. Fortunately, he built a good board and team of senior management who could ensure the Company's continued success. Immediately following his death, Company Directors appointed Executive Vice-President W.G. (Garry) Holmes as President of the Company.

The Melton Building,
103 Street and Jasper Avenue,
Edmonton

"... Your Company will have opportunities for not only increased physical growth and higher earnings, but also to meet the social challenge of providing needed shelter for people and industry."
Garry Holmes, President,
1973 Annual Report

W.G. (Garry) Holmes

Tim Melton was named Corporate Vice-President, Ralph Young became Vice-President of the Land Division, Terry Smith was named Vice-President of Homes and Doug Kelly became Manager of the Calgary Land Region. Stan's Executive Assistant Pat Dailey was appointed head of the Investment Division. Cliff Willetts, longterm associate and friend was appointed Chairman of the Board.

Timothy Charles Melton had been with Melton Real Estate for three years when his father died in 1973. He worked in residential and commercial sales and management in Edmonton, Saskatoon and Calgary. He was appointed President of the Company in 1975, when operations spanned western Canada. To continue growing, expansion to eastern Canada was considered. At the same time, large eastern firms approached Melton's with offers to purchase, to secure their own western expansion.

At a crossroads, Tim was conscious of the expense and responsibility of maintaining dozens of office leases and a sales force numbering in the hundreds. By this time, the Company's assets were less based in the Brokerage Division than the growing and lucrative Land Division. Although very difficult, the Melton Board of Directors decided that selling the Brokerage Division was in the best interest of its shareholders.

In 1976, Melton Real Estate's Brokerage Division including the services of over 500 sales and support staff were sold to A.E. Lepage Real Estate of Toronto for $4,250,000. Terms of the sale necessitated a name change. In April, 1976, Directors approved the name Melcor Developments Ltd.

The late 1970s brought bouyant economic conditions to Alberta and Melcor prospered through these years. However, this prosperity came to a sudden halt in the early 1980s with falling oil and gas prices and the ill-conceived National Energy Program.

After the 1976 sale of the Brokerage Division, the Company's main focus was land development as well as the expansion of the Investment Properties and the House Building Divisions.

"It is the business of the Division to provide premier real estate developments to its customers. Melcor has been an industry leader in providing comprehensively planned, developed and marketed mixed-use affordable communities," Ralph Young, President, 1997.

Melcor's Peter Daly and Ralph Young inspecting the plans for another development in 1974.

Melcor's 1984 management group was instrumental in guiding the Company through Alberta's recession.
Standing: David Geertson, Tim Melton, Brett Halford, Ralph Young, Dave Poppitt, Garry Holmes, Bruce Eagar, Bob Thomas, Bob Taunton, Rick Wiebe, Al Duerr, Ron Eberley, Ian MacLeod, Mark Beckwith, Bryan Copp, Rick Lough, Ken Lovig
Seated: Peter Daly, Sonny Crowley, Clint Janswick, Terry Nixey, Brian Scarrow, Bob Onyschuk, Doug Croteau, Barry Aaserud.

The Company's foresight to focus on land development and related areas was enough to carry it through this devastating recession. The merciless economy ruthlessly knocked entire industries to their knees. Melcor held tight and survived lean and strong – better focused than ever.

Today, Melcor's focus is on land development and investment properties throughout Alberta, Saskatchwan and the U.S. Here is a brief look at some of the Company's current operations and activities.

LAND DIVISION

Melcor's Land Development Division is responsible for acquiring and developing land for residential, commercial and industrial use. Its primary business is to provide serviced residential lots for resale to builders. It also develops commercial, industrial, recreational and institutional land for resale.

Since the 1950s, the Land Division has generated revenues of close to one half of a billion dollars and developed home sites for approximately 65,000 residents.

A Melcor neighbourhood is not just subdivided land, streets and sewers. Families take pride in calling it their home.
Ralph Young, 1997

Edmonton

The Company has been providing quality community developments in Edmonton since the 1950s. These include Lynnwood, Patricia Heights, Callingwood, Westridge, Thorncliff, Primrose, Lymburn, Summerlea, Terra Losa, The Country Club, Terwillegar Heights, Terwillegar Park Estates, Falconer Heights, Eagle Ridge, Sheffield Industrial, Carleton Square, Cherry Grove Park and Miller

Eagle Ridge entrance monument

At the end of 1997, Melcor purchased an interest in the 470-acre Lewis Estates on Edmonton's west limits. This master-planned community, including an 18-hole championship golf course residential development is estimated to yield a further 1,500 lots to be developed over the next 10 to 15 years. Melcor also purchased a further 160 acres in Terwillegar Heights in south Edmonton.

Homes in The Country Club

Aerial photograph of Summerlea community in Edmonton, adjacent to West Edmonton Mall, 1980.

Leduc

In the late 1960s, the Company acquired lands in Leduc. Its proximity to the International Airport and role as an oil and gas centre has provided development opportunites through the years.

Corinthia Park was the Company's first development in Leduc in the late 1960s. The Company continued to develop in the community with the following projects: Southpark, Beau Vista Estates, Sky Harbour Industrial Park and 1997's Bridgeport.

Leduc's Bridgeport community opened in the fall of 1997. Pictured here is construction of the Bridgeport entrance.

Sherwood Park

The Company's involvement in Sherwood Park goes back to the late 1970s. Its most recent development earned a prestigious award for the company. In 1994, Melcor's Craigavon Meadows in Sherwood Park was the site of an innovative approach to storm water management. Instead of leading excess water to underground pipes, a wetland was constructed, blending with the local ecosystem. This project, called the Craigavon Monitoring Project, supplies local students with an opportunity to study wetland species and their success in a wetland environment within an urban setting. Melcor received an award for its creativity in incorporating wetlands into an urban landscape.

Craigavon Meadows, **Sherwood Park**

This Highway 16A billboard welcomes visitors and residents to consider a move to Melcor's Spruce Grove golf course community.

Opposite page: Melcor's 18-hole championship golf course opened in 1982. After 15 years of operation, the Links is still one of the most popular courses in the Edmonton area averaging over 30,000 rounds of golf each season.

Spruce Grove

In the 1960s, the Company identified opportunities in Edmonton's satellite communities. 1998 marks Melcor's 30th year of activity in Spruce Grove, a young, growing city west of Edmonton. Melcor's subdivisions in Spruce Grove include Braxton Park, Brookwood, Woodhaven, Millgrove, Millgrove Downs, Westgrove, Fieldstone, Stoneshire, Stoneshire Green, Woodside, Aspenglen, Yellowhead Industrial Park, King Street and the Westland Market.

Red Deer

Melcor is proud of its activities in Red Deer. The city's potential for growth was identified by the Company and in 1979 it first acquired lands in the city. Red Deer has shown steady growth and Melcor's communities such Eastview Estates, Deer Park Village and Victoria Park have been well received. Shown below is Melcor's 1996 Board of Directors on tour of Victoria Park.

Melcor's 1996 Board of Directors
Standing: Garry Holmes, Lou Hyndman, Bob Stollery, Bill Grace, Fred Lebedoff, Harry Hole
Kneeling: Tim Melton and Ralph Young
Missing is Andy Melton.

Calgary

Calgary Mayor Ralph Klein and Melcor's Tim Melton at the opening of the Hawkwood community in 1985.

In the 1950s, the Company carried out land activities through its subsidiary Sillton Developments in the Calgary subdivision of Forest Lawn.

In 1971, Melton Real Estate re-entered the Calgary market acquiring 600 acres in the city's northwest. This was the Company's largest transaction to date.

This plus other land Melcor has acquired in northwest Calgary has provided the Company with 30 years of development, including: West Dalhousie, Ranchlands and Hawkwood communities.

Most of the Arbour Lake land was acquired by Melcor in the late 1970s and early 1980s. It features a 10-acre man-made lake exclusively for use by the community residents. It boasts spectacular mountain views, neighbourhood parks and easy access to Crowfoot Towne Centre.

In 1980 Melcor developed Crowfoot Towne Centre, a 162-acre comprehensively planned retail commercial and business centre including a major regional shopping centre.

Right: Tim Melton, Calgary Ald. Hartmann, Ald. Ryan, Ralph Young and Dave Erickson at the Ranchlands site in 1975.

In 1996, Melcor's Arbour Lake community was the number one selling new community in northwest Calgary. This master-planned community takes in 600 acres of rolling foothills and will provide for almost 3,000 new homes over the next five years.

Pictured above is the Watergrove Mobile Home Community clubhouse.

In 1995, the upscale Watergrove Mobile Home Community was developed as a joint-venture project for the Company which retains a 50 per cent interest and continues as operations manager. The 302-unit park is located in an attractive 42-acre setting which "provides a market advantage which will allow the project to be a satisfactory contributor to the Company's earnings for years to come," said Tim Melton.

"Melcor has an outstanding reputation in Calgary. We are selling between 200 and 400 lots a year," said Vice President of the Calgary Region Dave Poppitt. "Melcor provides a strong sense of commitment to the community."

Melcor's Calgary office is housed in the Company's Kensington Building.

Melcor's 600-acre master-planned community Village Oaks, San Bernadino, California, 1986 - 87.

The U.S. Market

"The markets in the United States continue to be strong and are providing revenues to the Company to help offset the decline in sales experienced in Canada," - Tim Melton, 1983 Annual Report.

Bill Griffith, Tim Melton, and Ralph Young in California's Chino Hills, mid 1980s.

Melcor's U.S. activities began in the late 1970s. Mike Melton was influential in convincing Ralph Young and Tim Melton about the merits of U.S. expansion. He regularly updated them on potential land deals. In 1978, Melcor acquired extensive land holdings including 250 acres in south Phoenix, which was developed into the Montana del Sur community. In 1979, Melcor opened an office in Phoenix with Calgary Manager Bob Taunton as Manager.

The success of the U.S. operations in the 1980s assisted the Company during the Alberta recession. In 1983, Melcor posted sales exceeding $13,000,000 in the United States.

By 1988, development in Arizona and California were successfully completed and these offices were closed. The Company continues to develop land for future development in Phoenix. It also holds 55 residential lots and 241 acres of zoned land in Tucson.

By 1996, Melcor's U.S. activities were limited to River's Edge community in Tucson, Arizona.

INVESTMENT PROPERTIES DIVISION

The Company's acquisition of apartments, commercial and office buildings began in the 1960s.

The 100,000 square foot Franklin North building in Calgary was completed in 1978.

The Division, under Manager Ian MacLeod, is responsible for providing in-house property management to Melcor's property portfolio. At one time, Melcor's portfolio of properties included over 1.2 million square feet of suburban and downtown office space, industrial projects, retail centres and low-rise residential construction.

One of Melcor's largest projects was the 380,000 square foot office building named 44 Capital Boulevard located in downtown Edmonton. The energy-efficient office building, designed and built by Melcor, received BOMA's 1991 Building of the Year Award.

In 1998, Melcor owns the Melton Building, Westcor Building, Melcor Industrial Building and Lee Valley Centre in Edmonton; Calgary's Kensington Road Building, where Melcor's Calgary office is located; the Albert Street Building and University Park Retail Centre in Regina; and the Corinthia Park retail Centre in Leduc. These investment properties total nearly 360,000 square feet of leasable space.

Melcor designed and built the 380,000 square foot 44 Capital Boulevard building. It captured an international award for excellence in energy efficient design and operation.

Westcor Building, Edmonton

The Melcor-built 103,000 square foot Westland Market is Spruce Grove's first enclosed mall.

MELTON REAL ESTATE INC.

Andy Melton

In the early 1980s, brothers Tim and Andy Melton occasionally discussed the possibility of resurrecting the Melton name into Melcor's umbrella of interests. On February 13, 1987, Andy opened Melton Real Estate Inc. in Calgary. This wholly-owned Melcor subsidiary dealt in commercial and industrial sales and leasing. An Edmonton office followed in the summer of 1988.

"It felt good to play an important role in the family Company. We did a lot of good business for a lot of good clients."
Andy Melton.

Melton Real Estate Inc. was responsible for the sale and leasing of Calgary's 160-acre Crowfoot Towne Centre, Melcor's largest commercial development. In 1989, Andy was instrumental in the sale of Melcor's $25 million portfolio of properties, including Spruce Grove's Westland Market, pictured above. Proceeds of this sale were applied to help reduce Company debt.

Trends in the brokerage industry favoured companies with a broader base of operations. In response to this, in 1995 the company sold its assets to Graeme Young and Associates where Andy continued as Manager.

In the 1970s, the home construction division, called Melton Homes, felt it had the advantage over other builders thanks to its partnership with brokerage, insurance and mortgage services. "From the onset, it was the intention of Melton Homes to become a major Western Canadian builder," said then Division Manager Terry Smith. To emphasize its commitment to quality construction, the Company offered a two-year unconditional guarantee and a five-year structural warranty. The price range of its homes in 1973 was $29,000 to $40,500, excluding lots. Lot pices ranged from $6,000 to $14,000.

In 1976, the Division was renamed Melcor Homes and continued building until the 1980s recession severely impacted housing. Operations were discontinued in all markets except Edmonton, where it focused on adult condominiums. By 1996, all residential construction was discontinued.

This Melcor home was built in 1979 in Edmonton's Westridge community.

Although the Homes Division is no longer in operation, Melcor is proud to continue to provide its customers with the quality after sales service of 22-year Company Service Manager Bob Baker.

After 75 years of participating in business and community activities, Melcor appreciates and is honoured by the letters of support from these elected leaders:

... In many respects, Melcor Development's success is and integral part of Alberta's prosperity and economic strength. It is through the efforts of the private sector that Alberta's economic outlook is the best in Canada. Clearly, all Albertans are benefiting from the increased employment rate that comes from a strong and diverse private sector.

Melcor Developments Ltd. is to be commended for its ability to adapt to changing business climates. With 75 years of experience in Alberta's business world, Melcor Developments Ltd. epitomizes the tenacity and adaptability of Alberta's entrepreneurial spirit...

Ralph Klein, Premier of Alberta

On behalf of City council and the citizens of Calgary, I would like to extend congratulations to Melcor Developments Ltd. on the occasion of its 75th anniversary. Melcor Developments Ltd. is a true Alberta business success story and one that demonstrates the entrepreneurial spirit that characterizes our province. In Calgary, Melcor Developments has shaped many of our communities and the company will forever be linked to this city. Congratulations to the Melton family, and the management and staff of Melcor Developments, on this tremendous achievement. Best wishes for continued success.

Al Duerr, Mayor of Calgary

Three-quarters of a century strong, this Edmonton-grown company has built a solid reputation for excellence in residential and commercial development. Much of Melcor Developments success can be attributed to commitment, sound management and integrity. As an Alberta business success story and long-time corporate citizen, Melcor Developments has greatly added to the economic potential of our city and province.

On behalf of City Council and the citizens of Edmonton, congratulations on this significant milestone. I wish the Melton family and the staff of Melcor Developments Ltd. many more years of continuing success and prosperity.

Here's to a dynamic year of flourishing enterprises and enjoyable anniversary celebrations!

Bill Smith, Mayor of Edmonton

MELCOR IN THE NEXT CENTURY

Tim Melton sees his own success with Melcor as "just being on the right ship with a good crew".

Melcor will use its proven track record of success and experience as a spring board to continued growth into the next century.

75 years of history is just a beginning. The Company is committed to a future of providing essential real estate, service and product for the next generations.

Tim Melton,
Chairman and CEO

Although relatively young, Melcor's staff has had considerable experience and service with the Company guiding it through the ups and downs of the roller coaster real estate market. The combination of a qualified staff with the Company's sound financial position is reason for Melcor's confidence in the future. Where there are opportunities in real estate, Melcor has the ability to respond.

Melcor's management team of Tim Melton, Ralph Young, Peter Daly, Michael Shibada, Brett Halford, Dave Poppitt and Ian MacLeod have over 150 years of industry experience.

CALGARY
Standing: Doug Alton, Ian Dennison, Bill Hodgson
Sitting: David Poppitt, Amy Lamme, Kent Hystad

RED DEER
Guy Pelletier, Terry Jensen, Fred Lebedoff

Ralph Young, **President**

"We are creating new communities from Spruce Grove to California and Arizona. It is an extremely rewarding business when you see kids playing in the school yards and young mothers walking to parks in neighbourhoods we developed...We are part of one of the most important businesses there is. We are providing shelter, one of the basic essentials of life. It gives a real sense of pride and accomplishment. A Melcor neighbourhood is not just subdivided land, streets and sewers. Families take pride in calling it their home." Ralph Young, President, 1998

"I like to see a Company with this longevity (75 years). Melcor has proven to be adaptive in the past. It rolled with the punches and made the necessary adjustments. I hope to be a part of its future," he said. "I am learning a great deal from the people here. Real quality people." One of Melcor's newest employees, Brian Baker, Development Manager, 1998

EDMONTON

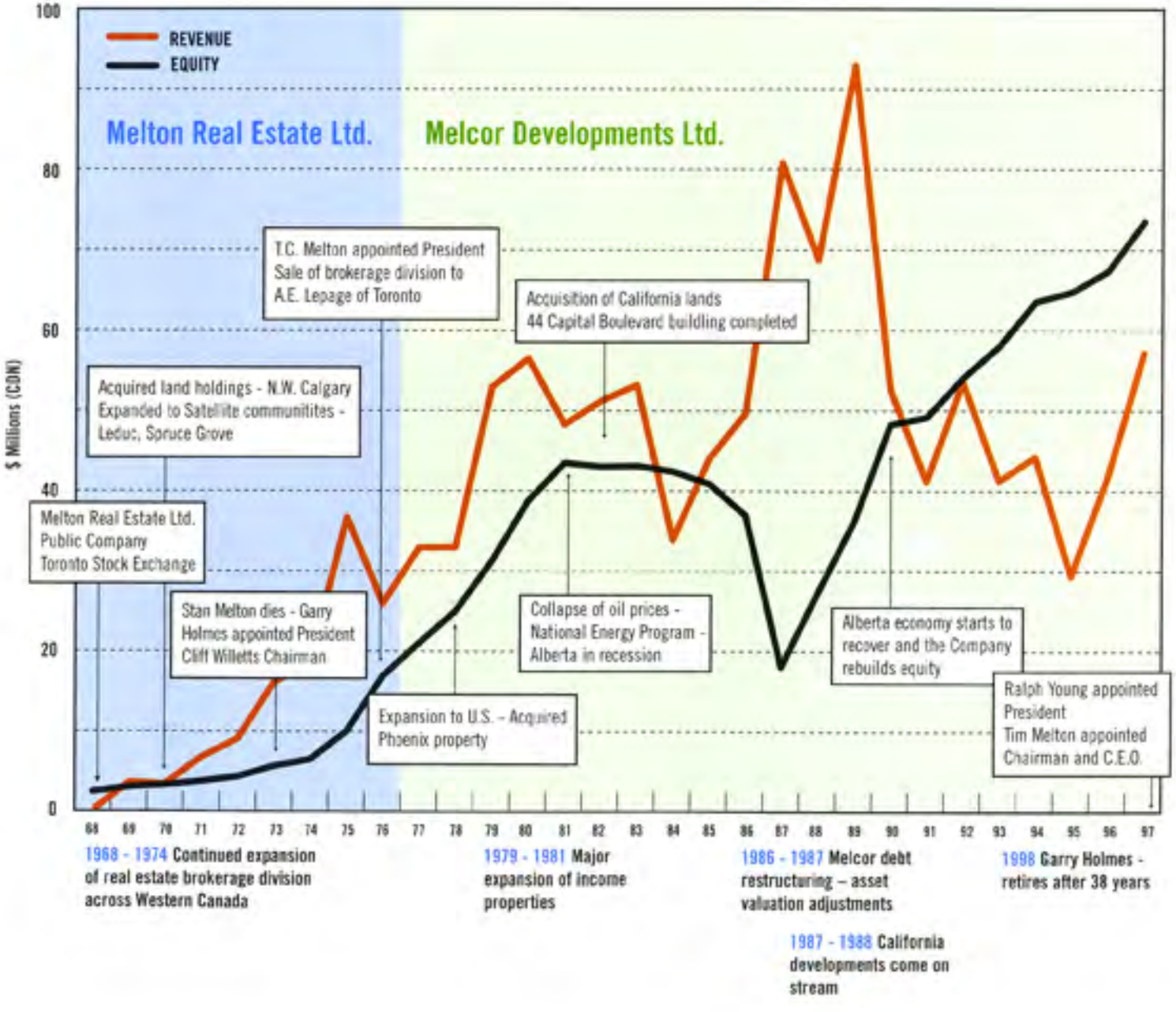
Matt Strang, Dani Dickinson, Ian MacLeod

EDMONTON

Standing: Karen Albarda, Tammy Astleford, Jori Soetaert, Bill Thoman, Carol Wallace, Peter Daly, Emma Pears, Brian Baker, Shauna Blackburn, Kevin McGee, Kristine Sargent, Kristine Zons
Sitting: Michael Shabada, Mary Ann Campeau, Brett Halford, Tamara Henderson

Company Financial Highlights

since going public in 1968



The secret to our longevity is getting results through good people. That's been handed down through the years. The Golden Rule, treat others as you would be treated, has been passed down through three generations of Company leadership. Tim Melton

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