Ottawa Community Housing Corporation

Financial statements

December 31, 2021

Building a better working world

Independent auditor's report

To the Board of Directors of
Ottawa Community Housing Corporation

Opinion

We have audited the financial statements of **Ottawa Community Housing Corporation** [the "Corporation"], which comprise the balance sheet as at December 31, 2021, and the statement of operations and surplus, statement of reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the *Housing Services Act* and the guidance in its application by the City of Ottawa as Service Manager as at December 31, 2021.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of accounting and restriction on use

Without modifying our opinion, we draw attention to note 2 to the financial statements, which describes the basis of accounting. As required by the *Business Corporations Act*, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the directors, shareholders and Service Manager of the Corporation. These financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the *Housing Services Act* and the guidance in its application by the City of Ottawa as Service Manager, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Ottawa, Canada
May 12, 2022

Chartered Professional Accountants
Licensed Public Accountants

Ottawa Community Housing Corporation
Incorporated under the laws of Ontario

Balance sheet

[in thousands of Canadian dollars]

As at December 31

	2021	2020
	$	$
Assets		
Current		
Cash and cash equivalents	**72,072**	70,992
Rent receivable	**1,802**	2,356
Other accounts receivable	**5,074**	1,372
HST receivable	**2,854**	3,237
Prepaid expenses	**4,044**	3,740
Total current assets	**85,846**	81,697
Capital assets, net *[note 3]*	**381,377**	342,394
	467,223	424,091
Liabilities and net assets		
Current		
Subsidies payable – City of Ottawa [Service Manager] *[note 14]*	**1,311**	841
Accounts payable and accrued liabilities *[note 14]*	**27,215**	29,250
Accrued interest on long-term debt	**810**	793
Prepaid rents	**3,455**	2,995
WSIB benefits costs – current *[note 11]*	**508**	467
Current portion of long-term debt *[note 5]*	**11,741**	12,560
Total current liabilities	**45,040**	46,906
Employee benefits costs *[note 10]*	**4,974**	4,661
WSIB benefits costs – future *[note 11]*	**3,137**	2,742
Forgivable loans *[note 4]*	**46,442**	30,269
Long-term debt *[note 5]*	**301,155**	266,482
Total liabilities	**400,748**	351,060
Contingent liabilities and commitments *[notes 12 and 13]*		
Net assets		
Contributed surplus *[note 7]*	**2,400**	2,400
Reserves *[note 8]*	**64,075**	70,631
Total net assets	**66,475**	73,031
	467,223	424,091

See accompanying notes

On behalf of the Board:

Director

Mathieu Fleury

Councillor Mathieu Fleury

Director

Brendan Lawlor

Brendan Lawlor, CPA, CMA

Ottawa Community Housing Corporation

Statement of operations and surplus

[in thousands of Canadian dollars]

Year ended December 31

	2021	2020
	$	$
Revenue		
Rents	**71,594**	73,324
Subsidies *[note 14]*		
Service manager	**57,724**	56,624
Service manager – safer communities	**2,623**	2,634
Other revenue	**5,159**	5,065
	137,100	137,647
Operating costs		
Utilities	**24,942**	23,811
Building operations	**25,711**	24,486
Staffing costs	**39,501**	37,755
Administration and other	**6,072**	5,669
	96,226	91,721
Fixed costs		
Municipal taxes *[note 14]*	**1,490**	1,467
Interest on long-term debt	**10,935**	11,112
Depreciation of capital assets	**13,220**	14,619
	25,645	27,198
Total costs	**121,871**	118,919
Net revenue before reserve contribution for the year	**15,229**	18,728
Contributions to reserves	**(15,229)**	(18,728)
Net surplus for the year	**—**	—

See accompanying notes

Ottawa Community Housing Corporation

Statement of reserves

[in thousands of Canadian dollars]

Year ended December 31

	Capital Reserves	Vehicle	Investment in Capital Assets [Equity Program]	COVID-19 and Stabilization Reserve Fund	Equity Operating Reserve Fund	Public Housing Operating Reserve Fund	Community Reinvestment Fund	Green Fund	Total 2021	Total 2020
	$	$	$	$	$	$	$	$	$	$
Balance, beginning of year	**20,323**	**558**	**30,457**	**2,645**	**874**	**2,615**	**7,756**	**5,403**	**70,631**	68,703
Contributions from operations	**15,833**	**—**	**—**	**(604)**	**—**	**—**	**—**	**—**	**15,229**	18,728
Other contributions	**5,993**	**—**	**—**	**—**	**—**	**—**	**—**	**735**	**6,728**	11,968
Realized value from Infrastructure Ontario and CMHC financing [note 3]	**25,692**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**25,692**	4,984
Interest income	**237**	**6**		**30**	**10**	**29**	**101**	**61**	**474**	857
Realized gains	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	13,349
Expenses	**(52,187)**	**(38)**	**—**	**—**	**—**	**—**	**(1,232)**	**(1,222)**	**(54,679)**	(47,958)
Interfund transfers and internal loans	**3,351**	**550**	**(11,020)**	**39**	**(39)**	**—**	**7,119**	**—**	**—**	—
Balance, end of year	**19,242**	**1,076**	**19,437**	**2,110**	**845**	**2,644**	**13,744**	**4,977**	**64,075**	70,631

See accompanying notes

Ottawa Community Housing Corporation

Statement of cash flows

[in thousands of Canadian dollars]

Year ended December 31

	2021	2020
	$	$
Operating activities		
Net revenue before reserve contribution for the year	**15,229**	18,728
Add item not affecting cash		
Depreciation of capital assets	**13,220**	14,619
Changes in non-cash working capital balances related to operations		
Rent receivable and other accounts receivable	**(3,148)**	1,617
HST receivable and prepaid expenses	**79**	(1,466)
Subsidies payable – City of Ottawa [Service Manager]	**470**	(2,578)
Accounts payable and accrued liabilities	**(2,035)**	3,891
Accrued interest on long-term debt	**17**	(15)
Prepaid rents	**460**	494
Employee benefits costs	**313**	383
WSIB benefits costs	**436**	152
Cash provided by operating activities	**25,041**	35,825
Investing activities		
Interest earned on reserves balance	**474**	857
Cash provided by investing activities	**474**	857
Financing activities		
Mortgages, loans and debentures additions	**48,467**	10,744
Mortgages, loans and debentures repayments	**(14,613)**	(13,808)
Forgivable loans additions	**16,173**	3,453
Cash provided by financing activities	**50,027**	389
Capital activities		
Other contributions made to reserves	**6,728**	25,317
Acquisition of capital assets	**(26,511)**	(19,530)
Capital expense charged to reserves	**(54,679)**	(47,958)
Cash used in capital activities	**(74,462)**	(42,171)
Net increase (decrease) in cash during the year	**1,080**	(5,100)
Cash and cash equivalents, beginning of year	**70,992**	76,092
Cash and cash equivalents, end of year	**72,072**	70,992
Supplemental cash flow disclosure		
Cash paid for interest	**10,935**	11,112

See accompanying notes

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

1. Organization

Ottawa Community Housing Corporation [the “Corporation”] provides and manages quality, safe and affordable housing for low- and moderate-income households in Ottawa.

Most of the mortgaged properties of the Corporation are governed by operating agreements with the Province of Ontario and/or Canada Mortgage and Housing Corporation [“CMHC”]. These agreements include provision for approval of rental rates, depreciation charges and contributions to the Capital Reserve.

The operating agreements are administered by the Service Manager [“City of Ottawa”] under the *Housing Services Act* [“HSA”]. The HSA came into force on January 1, 2012 and replaces the former *Social Housing Reform Act*.

The Corporation is a non-profit organization under paragraph 149(1)(d) of the *Income Tax Act* (Canada) and, as such, is not subject to income taxes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with the reporting requirements of the HSA and of the City of Ottawa. The basis of accounting differs from Canadian generally accepted accounting standards [“CGAAP”] for the public sector, including the PS4200-4270 series for Government not-for-profit organizations [“Government NPOs”] due to:

[a] Capital repairs and replacement, including the acquisition of office furniture and equipment, are charged directly to the Capital Reserve in the statement of reserves [rather than being capitalized on the balance sheet and depreciated over their useful lives].

[b] Capital assets governed by the reporting requirements of the HSA and of the City of Ottawa are recorded at the net value of the outstanding debt corresponding to those assets.

[c] When outstanding debt corresponding to assets governed by the reporting requirements of the HSA and of the City of Ottawa is refinanced at an amount greater than the outstanding debt, the difference is recorded as an increase to capital assets and the Capital Assets Reserve.

[d] Depreciation of capital assets [including land] governed by the reporting requirements of the HSA and of the City of Ottawa is provided on the same basis as the principal repayments on the corresponding debt during the year.

[e] Interest income, realized and unrealized gains and losses, and any impairment related to marketable securities are recorded directly to the statement of reserves rather than being recorded in the statement of operations and surplus.

[f] Forgivable loans are non-interest bearing and are advanced with repayment not to be expected unless certain conditions are met. These loans are recognized into revenue at the end of their term.

[g] Grants for capital purposes [repairs or new developments] are recognized as revenue in the Capital Reserve upon progress completion of the repairs or new developments in accordance with the Grant agreements.

Only capital assets within the Equity Program follow CGAAP for the public sector including the PS4200-4270 series for Government NPOs. The Equity Program is deemed to be invested in the Capital Reserve as disclosed in the statement of reserves.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

These financial statements are expressed in Canadian dollars and the following is a summary of the significant accounting policies used in the preparation of the Corporation's financial statements:

Functional currency

The financial statements are stated in thousands of Canadian dollars, which is the functional currency.

Use of estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

Revenue recognition

The Corporation recognizes subsidies as revenue when received or receivable, if all conditions required for the subsidy are met, the amount to be received can be reasonably estimated and collection is reasonably assured. The Corporation recognizes rent revenue when earned.

Financial instruments

The Corporation's financial instruments consist of cash and cash equivalents, rent receivable, other accounts receivable, HST receivable, subsidies payable, accounts payable and accrued liabilities and long-term debt. The carrying values of the Corporation's financial instruments approximate their fair values unless otherwise noted.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid investments with original maturities of 90 days or less as at the balance sheet date.

Capital assets and depreciation

Capital assets governed by the reporting requirements of the HSA and of the City of Ottawa are recorded at the net value of the outstanding debt corresponding to those assets, less accumulated depreciation. All other capital assets [i.e., Equity Program] are recorded at cost less accumulated depreciation. Cost includes the original cost of the land, buildings and other related costs.

Depreciation of capital assets [including land] governed by the reporting requirements of the HSA and of the City of Ottawa is provided on the same basis as the principal repayments on the corresponding debt during the year. All other capital assets [i.e., Equity Program] are depreciated using the straight-line method based on the estimated useful lives of the assets, which range from 30 to 50 years.

Reserves

Capital repairs and replacement, including the acquisition of office furniture and equipment, are charged directly to the Capital Reserve in the statement of reserves.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

Interest income, realized and unrealized gains and losses and any impairment related to marketable securities are recorded directly to the statement of reserves rather than being recorded in the statement of operations and surplus.

When outstanding debt corresponding to assets governed by the reporting requirements of the HSA and of the City of Ottawa is refinanced at an amount greater than the outstanding debt, the difference is recorded as an increase to capital assets and Capital Reserve.

Employee future benefits and pension agreements

The Corporation has adopted the following policies with respect to employee benefit plans:

[i] The Corporation's contributions to a multi-employer, defined benefit pension plan are expensed when contributions are due;
[ii] The costs of termination benefits and compensated absences are recognized when an event that obligates the Corporation occurs. Costs include projected future income payments, health care continuation costs and fees paid to independent administrators of these plans, calculated on a present value basis;
[iii] The costs of post-retirement employee benefits are actuarially determined using the projected unit credit actuarial cost method. The discount rate is based on the Corporation's internal cost of borrowing and all other assumptions are based on management's best estimate of future events. Actuarial gains or losses are amortized over the expected remaining service life of the related employee groups; and
[iv] The costs of the workplace safety and insurance obligations ["WSIB''] are actuarially determined based on the present value of future benefits on existing claims. The discount rate is based on the Corporation's internal cost of borrowing. Actuarial gains and losses are amortized over the term of the liabilities.

3. Capital assets

Capital assets consist of the following:

	2021 $	2020 $
Land	**82,283**	82,283
Prepaid land leases	**1,104**	1,104
Buildings and equipment	**651,573**	599,370
	734,960	682,757
Less accumulated depreciation	**353,583**	340,363
Net book value	**381,377**	342,394

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

Capital assets additions

In 2021, five properties with a net book value of $22,655 [2020 – 5,978] were refinanced with Infrastructure Ontario [“IO”]. The loan agreement with IO required a market evaluation and Environmental Site Assessment for each property. As a result, the Corporation borrowed $22,655 [2020 – $5,978] from IO, which represents the fair value of the five properties. The Corporation used $2,072 to repay the outstanding mortgages, the remaining balance of $20,583 [2020 – $4,984] was transferred to the Capital Reserve and the Corporation recorded a corresponding increase in the property value.

In 2020, OCHC received an approval from the City of Ottawa Council to work with CMHC and submitted an application for capital repair funding under the National Co-Investment Fund [“NHCF”] Capital Repairs and Renewal Program to fund capital repair work for the Equity and Public program in 2021-2028. In 2021, OCHC executed the credit agreement with CMHC agreement under NHCF to provide $100,146 in repayable loans and $65,412 in forgivable loans from 2021-2028. All drawdowns will be issued upon the completion of the work. In 2021, OCH has received a total of $5,109 [2020 – nil] of CMHC NCIF Capital Repairs repayable loan; it was transferred to the Capital Reserve and the Corporation recorded a corresponding increase in the property value.

933 Gladstone Avenue

In 2017, the Board of Directors approved the purchase of seven acres of vacant land at 933 Gladstone Avenue for future development. The land was acquired on May 11, 2017, at a cost of $7,140 and funded 50% through a line of credit and the remaining 50% funded by the Corporation through the Community Reinvestment Fund [“CRF”]. Phase 1 of the development will include approximately 340 units and commence in 2022. This phase of the multi-year project will cost over $137,900, which is anticipated to be funded from various sources, including the City of Ottawa, CMHC mortgage financing and forgivable loan, and an equity contribution from the Corporation. In 2021, the Corporation incurred $1,332 [2020 – $57] in pre-development costs, which were funded by the CRF and capitalized.

Rochester Redevelopment [811 Gladstone Avenue [Phase 1] and 818 Gladstone Avenue [Phase 2]]

Phase 1

In 2017, the Board of Directors approved the demolition of 26 existing end-of-lifecycle townhomes from the Rochester Heights community to replace them with development of 108 new affordable housing apartments within a six-storey building and 32 affordable stacked townhomes. The construction commenced in fall 2019 and is expected to be completed in 2022 at a total cost of approximately $46,800. The Corporation has secured the City of Ottawa funding of $20,434 provided under the Investment in Affordable Housing [$12,611], Social Infrastructure Fund [$5,694], and Action Ottawa contributions [$2,129]. The remaining construction costs will be financed from the CRF and a combination of CMHC mortgage financing and forgivable loan. In 2021, the Corporation incurred $20,553 [2020 – $17,546] in design and construction costs, which were capitalized.

Phase 2

The Rochester Phase 2 project involves the demolition of 78 townhomes and the full redevelopment of the 4.2-acre site to align with the City of Ottawa’s objectives of mixed-use and heightened density, with affordable housing, in close proximity to rapid transit [Gladstone LRT station]. The development will commence in 2022. The multi-year project will cost over $115,000, and is anticipated to be funded from various sources, including the City of Ottawa, CMHC mortgage financing and forgivable loan and the Corporation’s equity contribution. In 2021, the Corporation incurred $674 [2020 – $834] in pre-development costs, which were funded by the CRF and capitalized.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

715 Mikinak

In 2019, following a City of Ottawa Request for Proposal, OCHC was selected to bid in partnership with the City of Ottawa on a CMHC affordable housing initiative at 715 Mikinak Road. The project foresees the construction of three buildings resulting in 271 affordable housing units. In 2019, the Board of Directors approved the construction of two buildings, and in February 2021, the Board of Directors approved advancing the construction of building three. The construction commenced at the end of 2021 and will be completed in 2024 at a total cost of approximately $96,000. The development will be funded by a combination of capital grants, in-kind development charge waivers, land equity from the City of Ottawa, and a contribution from the Ontario Priorities Housing Initiative [“OPHI”]. The remaining construction costs will be financed by the CRF and CMHC through the National Housing Co-Investment Fund New Construction Stream. In 2021, architectural and design costs of $2,022 [2020 – $865] were financed from the CRF and capitalized.

The land for 715 Mikinak development was accrued under the Federal Lands Initiative [“FLI”], which is led by the CMHC. FLI supports the transfer of surplus federal lands and buildings to eligible proponents. This is available at discounted to no cost to be developed or renovated for use as affordable housing. In 2021, the land was transferred to OCHC from The City of Ottawa at nominal value of $1.

3380 Jockvale

The City of Ottawa [“City”] entered into an agreement with CMHC under the Rapid Housing Initiative [“RHI”], which is focused on addressing urgent housing needs of vulnerable Canadians. In 2020, the City of Ottawa partnered with OCHC to construct 32 modular units under CMHC’s RHI program. In February 2021, the Board of Directors approved the construction project, which commenced at the end of 2021 and will be completed in 2022 at a total estimated cost of $10,700. The project will provide an even mix of 2- and 3-bedroom units. The Corporation has secured $5,855 in RHI funding, $4,000 in Social Service Relief Funding and $1,709 in Action Ottawa contributions, totalling $11,564. In 2021, the Corporation incurred $1,902 [2020 – nil] in design and architecture costs, which were capitalized.

Disposition of properties

As of November 30, 2015, the Board of Directors has adopted a comprehensive approach to portfolio management that includes new development and divestiture of select stock. In 2021, the Corporation sold nil units [2020 – 48 units]. The proceeds from the sale of these units amounted to nil [2020 – $13,349] and were allocated to the CRF to support future development.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

4. Forgivable loans

Forgivable loans consist of the following:

	2021	2020
	$	$
Canada-Ontario AHP [380 Somerset]	**1,740**	1,740
Canada-Ontario AHP [245 Crichton]	**720**	720
Canada-Ontario AHP [140 Den Haag Drive]	**11,018**	11,018
Canada-Ontario AHP [3225 Uplands Drive]	**2,400**	2,247
Canada-Ontario AHP [1290 Coldrey Avenue]	**4,600**	4,600
Canada-Ontario AHP [811 Gladstone Avenue]	**9,876**	2,744
Housing and Poverty Reduction Investment Plan [714 Carson]	**4,000**	4,000
Housing and Homelessness Investment Plan [Old St. Patrick]	**1,200**	1,200
2014 and Capital Grant [2926 Michele Drive]	**800**	800
Dover Court Recreation Center [2 Van Lang Private]	**1,200**	1,200
CMHC NHCF, New Construction [811 Gladstone Avenue]	**2,170**	—
City of Ottawa Capital Grant [Mikinak Road Phase 1]	**1,000**	—
MMAH OPHI [Mikinak Road Phase 2]	**1,312**	—
CMHC RHI & Ontario SSRF [Jockvale Road]	**1,000**	—
CMHC NHCF, Capital Repair and Renewal Program	**3,406**	—
	46,442	30,269

Canada-Ontario Affordable Housing Program [“AHP”]

The AHP loans are not repayable as long as the project is operated within the terms and conditions of the agreement entered into with the Ministry of Municipal Affairs and Housing. If the agreements are breached, the full value of the loans may be repayable prior to the maturity date. As at December 31, 2021, the Corporation is in compliance with the terms and conditions of these agreements.

Uplands Drive

In 2017, the City of Ottawa approved a forgivable loan of up to $2,400 towards the development of 3225 Uplands Drive, of which the final $153 was received in 2021 [2020 – $87]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending on January 24, 2052.

1290 Coldrey Avenue [formerly 900 Merivale Road]

In 2015, the City of Ottawa approved a forgivable loan of $4,600 towards the development of the CCHC, of which the nil was received in 2021 [2020 – $460]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending on January 1, 2054.

811 Gladstone Avenue

In 2018, the City of Ottawa approved a forgivable loan of $18,305 towards the development of 811 Gladstone, of which $7,132 was received in 2021 [2020 – $2,743]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending 35 years from date of occupancy. Occupancy commenced in 2021.

Housing and Poverty Reduction Investment Plan

The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending on January 1, 2049.

Housing and Homelessness Investment Plan

The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending on March 1, 2050.

Canada Mortgage and Housing Corporation, National Housing Co-Investment Fund, New Construction

The NHCF New Construction Program supports the new construction of mixed-income, mixed-tenure, mixed-use affordable housing. This stream develops new, high-performing affordable housing located close to necessary supports and amenities, from public transit and jobs to daycares, schools and healthcare.

In 2020, OCHC entered into agreement with CMHC under NHCF, New Construction program to fund approximately $167,916 towards new development. The funding will be in the form of forgivable loans of approximately $10,819, and low-interest repayable loans of $157,097 that would be used towards the development of Rochester Heights Phase 1 and Phase 2, and part of Gladstone Village Phase 1. In 2021, OCHC received a first forgivable loan draw of $2,170 [2020 – nil] to cover development costs of the 811 Gladstone project. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the CMHC. If the agreement is breached, the unforgiven value of the loan and any applicable interest may be repayable anytime during the 20-year term that commences the month following the final forgivable loan issuance for each project.

City of Ottawa Affordable Housing Project Capital Grant

In 2019, Council approved capital funds from the Affordable Housing Reserve Fund to support the creation of new affordable housing. The funding is in the form of conditional capital contributions and contributions in lieu of development charges in support of the City of Ottawa’s 10-year Capital Investment Plan for Affordable Housing. In 2019, the City of Ottawa approved a forgivable loan of $10,000 towards the development of 715 Mikinak Phase 1, of which $1,000 was received in 2021 [2020 – nil]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 55-year term that commences upon occupancy.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

Ministry of Municipal Affairs and Housing – Ontario Priorities Housing Initiative (OPHI)

OPHI allocated $17.7 million in funding to the City of Ottawa to support the Action Ottawa and Ontario Renovates programs and to provide capital grants for the creation and maintenance of affordable rental housing. In 2021, the City of Ottawa approved a forgivable loan of $2,625 toward the development of 18 units in Phase 2 of the Mikinak development project, of which the $1,312 was received in 2021 [2020 – nil]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 55-year term that commences upon occupancy.

Canada Mortgage and Housing Corporation, Rapid Housing Initiative and Ontario Social Service Relief Fund

The CMHC RHI is focused on addressing urgent housing needs of vulnerable Canadians. The Social Services Relief Fund [“SSRF”] is part of the up to $4 billion being provided to Ontario municipalities under the federal-provincial Safe Restart Agreement. The Agreement will help municipalities protect the health and well-being of the people of Ontario while delivering critical public services, such as public transit and shelters, as the province continues down the path of economic recovery. In 2021, a combined total of $9,856 in the form of forgivable loan was secured under RHI and SSRF towards the development of 3380 Jockvale, of which $1,000 was received in 2021 [2020 – nil]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the CMHC. If the agreement is breached, the full value of the loan may be repayable at any time during the 20-year term ending on February 19, 2042.

Canada Mortgage and Housing Corporation National Housing Co-Investment Fund, Capital Repair and Renewal Program

The National Housing Co-Investment Fund, Capital Repair and Renewal Program supports the preservation and revitalization of the existing community and affordable housing.

In 2020, OCHC obtained approval from the City of Ottawa Council to work with CMHC and to submit an NHCF Capital Repair and Renewal Program application. The funding is in the form of forgivable loans of approximately $65,412, and low-interest repayable loans of $100,146 that would be used in 2021-2028 to support the preservation and revitalization of the existing housing Public and Equity stock representing approximately 11 thousand of OCHC units. In 2021, OCH has received a total of $3,406 [2020 – nil] in the form of forgivable loans. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the CMHC. If the agreement is breached, the unforgiven value of the loan and any applicable interest may be repayable anytime during the 20-year term that commences the month following the final forgivable loan issuance.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

5. Long-term debt

	2021 $	2020 $
Mortgages	**29,996**	34,196
Debentures – Public Program	**2,656**	5,189
Debentures – Infrastructure Ontario	**246,426**	229,906
Line of credit	**9,286**	9,751
Construction Loans – CMHC	**19,423**	—
Capital Repair Loans – CMHC	**5,109**	—
	312,896	279,042
Less current portion of long-term debt	**11,741**	12,560
Long-term debt	**301,155**	266,482

In 2021, the Corporation, working with IO, the City of Ottawa and the Ministry of Housing, refinanced five properties with long-term debt negotiated with IO. By extending the amortization period on new debt with a fixed interest rate, the Corporation generated additional funds for capital repair. The City of Ottawa has provided a commitment to extend the period of the mortgage subsidy on these five properties and provides payments directly to IO as a payment guarantee. The refinancing was secured in the form of a promissory note in the amount of $22,655 for long-term financing. The note is repayable over 30 years at an interest rate of 2.92%, compounded monthly.

In 2021, the Corporation bridge-financed Strathcona: Wiggins, 300 for two months in the amount of $881 from the Capital Fund at an interest rate of 4.088% [consistent with the previous lender interest rate]. This internal loan is part of the 2021 IO refinancing and has been transferred to IO, and as at December 31, 2021, a principal balance of nil was outstanding.

In 2020, OCHC entered into agreement with CMHC under NHCF, New Construction program to fund approximately $167,916 of new development. The funding will be in the form of forgivable loans of approximately $10,819, and low-interest repayable loans of $157,097 that will be used towards the development of Rochester Heights Phase 1 and Phase 2, and part of Gladstone Village Phase 1. In 2021, OCHC received a repayable loan of $19,423 [2020 – nil] to fund development costs of 811 Gladstone. The loan has a 10-year term and an interest rate of 1.77%.

In 2020, OCHC obtained approval from the City of Ottawa Council to work with CMHC and to submit an NHCF Capital Repair and Renewal Program application. The funding is in the form of forgivable loans of approximately $65,412, and low-interest Repayable Loans of $100,146 that would be used in 2021-2028 to support the preservation and revitalization of the existing housing Public and Equity stock representing approximately 11 thousand of OCHC units. In 2021, OCH has received a total of $5,109 [2020 – nil] in form of repayable loans. The loan has a 10-year term and interest rate of 1.70%.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

Principal repayments required for the years from 2022 to 2026 and thereafter for the Corporation's outstanding debt are expected to be approximately as follows:

	$
2022	11,741
2023	11,509
2024	11,634
2025	11,538
2026	11,921
Thereafter	254,553
	312,896

6. Credit facility

The Corporation may avail up to $2,000 with a chartered bank in the form of an operating credit line and/or standby letters of credit and/or letters of guarantee. In 2021, the Corporation had $130 [2020 – $130] outstanding letters of credit. These instruments bear interest at the bank's prime rate. The chartered bank includes a commission of 2.00% per annum and other fees of 0.25% per annum.

In 2016, the Corporation secured $6,000 of a non-revolving bank loan with a chartered bank to fund 50% of the purchase price for parcels of vacant land for the construction of social housing. This instrument bears interest at the bank's prime rate, plus 0.25% per annum.

In 2021, the Corporation secured $30,000 of revolving interim financing to assist with cash flow during construction as required. This instrument takes the form of banker's acceptance and bears interest at the bank's prime rate, less 1% per annum. There is an additional acceptance fee of 1% payable at the time of each availment.

7. Contributed surplus

The contributed surplus of $2,400 consists of $1,650, which represents the net assets of the predecessor company [the City of Ottawa Non-Profit Housing Corporation] that was transferred to the Corporation effective September 2, 2002. The remaining $750 represents the land value for the Crichton Street property that was gifted by the shareholder in 2010.

8. Reserves

The Corporation has the following reserves:

[a] Capital Reserve

Capital Reserve for the renovation or improvement of the contributing property for work that meets the definition of capital repairs and maintenance. In addition, acquisitions of new capital assets required to maintain and manage the portfolio are expensed against the Capital Reserve.

Contributions are made on an annual basis in accordance with program requirements or operating agreements.

Notes to financial statements

[in thousands of Canadian dollars]

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The contributions from operations amounted to $15,833 in 2021 [2020 – $16,140], which included $1,757 [2020 – $195] from the Housing and Homelessness Investment Plan approved by City Council.

In 2021, the Corporation received funding under the following federal and provincial programs, which aims to improve and preserve the quality of social housing through capital renovations and retrofits of the existing portfolio:

- Canada-Ontario Community Housing Initiative – Year 1 [“COCHI1”] – $987 [2020 – $2,095]
- Canada-Ontario Community Housing Initiative – Year 2 [“COCHI2”] – $2,976 [2020 – $1,615]
- Canada-Ontario Community Housing Initiative – Year 3 [“COCHI3”] – $1,875 [2020 – nil]

The funds were received in agreed schedules related to the delivery of associated capital work.

The initial funding under the COCHI1 was provided in 2020 The multi-year retrofits commenced in 2019 and were completed in 2021. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	Funding $	Expenditures $
2019	—	729
2020	2,095	1,288
2021	987	1,098
	3,082	3,115

The initial funding under the COCHI2 was provided in 2020. The multi-year retrofits commenced in 2019 and were completed in 2021. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	Funding $	Expenditures $
2020	1,615	397
2021	2,976	4,280
	4,591	4,677

The first milestone payment under COCHI3 was provided during 2021. The multi-year retrofits commenced in 2021 are expected to be completed in 2023. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	Funding $	Expenditures $
2021	1,875	953

In 2021, the Capital Reserve received $495 [2020 – $488] from the Investment in Capital Assets Reserve to recognize annual amortization, and $3,406 [2020 – nil] from the Investment in Capital Assets Reserve to record committed amortization on the CMHC Forgivable Loan.

In 2021, $550 [2020 – $536] was transferred from the Capital Reserve to the Vehicle Reserve to support purchasing of new vehicles.

In 2021, the Corporation bridge-financed Strathcona: Wiggins for two months in the amount of $881 from the Capital Fund. This liability is being repaid at an interest rate of 4.088% [consistent with previous lender interest rate]. In 2021, the Corporation recorded $6 [2020 – nil] in interest expense and $28 [2020 – nil] in principal repayments. In June 2021, the Corporation received IO refinancing and the internal loan was fully repaid back to the Capital Reserve.

[b] Vehicle Reserve

The Vehicle Reserve is used for the acquisition of new vehicles, and $38 [2020 – $496] was expensed during the year for the purchase of new vehicles. The Vehicle Reserve received $550 [2020 – $536] from the Capital Reserve to support vehicles renewal planning.

[c] Investment in Capital Assets Reserve

The Investment in Capital Assets Reserve consists of housing acquisitions within the Equity Program, which are net of depreciation.

In 2021, the Corporation decreased the Investment in Capital Assets Reserve by $11,020 [2020 – $9,532 increase], which reflects an increase of $26,378 [2020 – $19,369] due to capitalization of ongoing developments and a transfer of $37,398 [2020 – $9,837] due to the following interfund transfers:

- $495 [2020 – $488] transferred to the Capital Reserve to recognize annual amortization;
- $166 [2020 – $258] transferred to the CRF to recognize annual amortization;
- $12,767 [2020 – $3,291] transferred to the CRF to reflect receipt of forgivable loans;
- $3,406 [2020 – nil] transferred to the CAP to reflect receipt of forgivable loans; and
- $20,564 [2020 – $5,800] transferred to the CRF to reflect receipt of repayable loan financing.

[d] Equity Operating Reserve Fund

The Equity Operating Reserve Fund is a discretionary reserve that was identified in 2018 as a replacement of the Federal Operating Surplus, which was discontinued in 2018 with the consent of the City of Ottawa. In 2021, this reserve generated a surplus of nil [2020 – nil]. In 2021, $39 [2020 – $57] was transferred to the COVID-19 and Stabilization Reserve Fund to mitigate impact of future expenses associated with the pandemic.

[e] Public Housing Operating Reserve

Effective January 1, 2009, the Corporation has an operating agreement with the City of Ottawa. The subsidy funding for the Public Program follows a formula similar to the Provincial Reformed Program and allows for both an Operating and a Capital Reserve for the Public Housing Program. Contributions are made at year-end in amounts set down in the subsidy calculations.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

[f] Community Reinvestment Fund

The CRF is a discretionary reserve that exists to maintain or develop housing or services. In 2014, the divestiture strategy of selling scattered units was reviewed and approved by the Board of Directors. The proceeds from such sales are to be contributed to the CRF and used to support new housing development. In 2021, the gross proceeds from the sales contributed to the CRF amounted to nil [2020 – $13,349].

In 2021, the net interfund transfer to the CRF was $7,119 [2020 – $10,020], which reflects a transfer of $26,378 [2020 – $19,369] to the Investment in Capital Assets Reserve to recognize ongoing developments and an increase of $33,497 [2020 – $9,349] due to the following transfers:

- $166 [2020 – $258] transferred from the Investment in Capital Assets Reserve to recognize annual amortization;
- $12,767 [2020 – $3,291] transferred from the Investment in Capital Assets Reserve to offset receipt of forgivable loans; and
- $20,564 [2020 – $5,800] transferred from the Investment in Capital Assets Reserve to reflect receipt of repayable loan financing.

[g] Green Fund

The Green Fund was established in 2010 from grants received under the EcoENERGY Retrofit and Ontario Homes Energy Savings programs. The use of the reserve, which is at the discretion of management, is to support specific operational or capital expenditures that increase the environmental sustainability of the Corporation. Further contributions to the reserve may come from:

- Net receipts from energy grants that have not formed part of the budget envelope of the Capital Works Program;
- A proportion of net savings generated from sustainability projects when systems are in place to adequately quantify such savings; and
- A proportion of new income generated by sustainability projects [i.e., sale of energy].

In 2021, the Corporation received contributions of $735 [2020 – $828] from grants, rebates and photovoltaic electricity sales to support green initiatives.

[h] COVID-19 and Stabilization Reserve Fund

The COVID-19 Reserve Fund was set up in 2020 as a temporary fund set up to mitigate impact of expenses associated with pandemic. In 2021, the fund was renamed to COVID-19 and Stabilization Reserve Fund to continue mitigate the pandemic and other emergencies. In 2021, the fund received $937 from the SSRF and, $602 from Safe Restart Funding, which were contributed to the Public Operating Reserve Fund. In addition, net of $565 [2020 – $57 received] was transferred to the Public Operating Reserve Fund of to help to mitigate pandemic related pressures.

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

9. Pension agreements

The Corporation makes contributions to the Ontario Municipal Employees Retirement Fund ["OMERS"], which is a multi-employer plan, on behalf of most of its employees. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay. The Corporation's contribution to the OMERS plan for 2021 was $3,473 [2020 – $3,133] for current services and is included as an expense in the statement of operations and surplus. These contributions were matched with identical employee contributions for both years.

10. Employee benefits costs

Employee benefits costs consist of the following:

	2021	**2020**
	$	$
Post-retirement benefits	**3,273**	3,227
Vested employee benefits	**1,701**	1,434
	4,974	4,661

The defined benefit plan relating to post-retirement benefits provides medical benefits to the Corporation's employee bargaining units and is applicable to employees who retire between the ages of 55 and 65 with an unreduced pension.

The continuity for post-retirement benefits for 2021 is as follows:

	$
Balance, beginning of year	3,227
Service cost	**127**
Interest cost	**63**
Amortization of actuarial gain	**(58)**
Benefits paid	**(86)**
Balance, end of year	**3,273**

The liability for post-retirement benefits is calculated based on estimates of future outlays required under contractual agreements with the Corporation's employee bargaining units. These estimates are based on a number of assumptions regarding the expected costs of benefits, which are dependent on the demographic makeup of the bargaining units, future interest rates, and inflation rates. The Corporation engages the services of an actuarial consulting firm to provide a determination of the Corporation's obligation for post-retirement benefits.

Due to the complexities in valuing the plan, an actuarial valuation is conducted every three years. The liabilities reported in these financial statements are based on a valuation as at June 30, 2020.

[in thousands of Canadian dollars]

Gains and losses are generated each year due to changes in certain assumptions and clarifications to the plan previously provided by the Corporation. These gains and losses are not expensed in the current year, but rather are amortized over the expected average remaining service life of the related employee groups. In 2020, amortization began with a 2019 loss of $185. Amortization for a 2020 gain of $512 commenced in 2021.

A number of estimates and assumptions are utilized in determining an actuarial valuation of benefit plans. The significant actuarial assumptions adopted in measuring the Corporation's accrued obligation for post-retirement and benefit cost for post-retirement benefits are as follows:

	2021	**2020**
Discount rate	**2.9%**	2.5%
Health care inflation rate	**7.0% grading linearly to 4.0% in 2040**	7.0% grading linearly to 4.0% in 2040

11. WSIB

The Corporation is a Schedule 2 Employer under the *Workplace and Safety Insurance Act* and, as such, assumes full responsibility for financing its workplace safety insurance costs. The accrued obligation represents the present value of future benefits on existing claims.

The continuity for WSIB benefits costs for 2021 is as follows:

	$
Balance, beginning of year	3,209
Service cost	**646**
Interest cost	**124**
Amortization of actuarial loss	**133**
Benefits paid	**(467)**
Total balance including current portion	**3,645**
Less current portion of WSIB benefits costs	**508**
Balance, end of year	**3,137**

The liability for WSIB benefits is calculated based on the present value of future benefits on existing claims. The Corporation engages the services of an actuarial consulting firm to provide a determination of the Corporation's obligation for future WSIB benefits.

Due to the complexities in valuing the future benefit costs, actuarial valuations are conducted on a periodic basis. The liabilities reported in these financial statements are based on a valuation as at December 31, 2020.

Gains and losses are generated for each valuation due to changes in certain assumptions and changes in existing claims previously provided by the Corporation. These gains and losses are not expensed in the current year, but rather are amortized over the term of the liabilities, which is approximately 10 years.

[in thousands of Canadian dollars]

A number of estimates and assumptions are utilized in determining an actuarial valuation of the future benefit costs. The significant actuarial assumptions adopted in measuring the Corporation's present value of future benefits per the most recent valuation are as follows:

	2021	**2020**
	%	%
Discount rate	**2.75**	2.75
Loss of earnings	**0.25**	0.25
Health care benefits	**(1.00)**	(1.00)
Fully indexed survivor benefits	**1.00**	1.00
Non-economic loss awards	**1.00**	1.00

12. Contingent liabilities

In the normal course of operations, the Corporation becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending as at December 31, 2021 cannot be predicted with certainty, it is the opinion of management that their resolution will not have a material adverse effect on the Corporation's financial position or results of operations.

13. Commitments

The Corporation has contractual commitments on capital projects as at December 31, 2021 in the amount of $52,426 [2020 – $38,208].

14. Related party transactions

The Corporation transacts with its sole shareholder, the City of Ottawa and its subsidiaries, which also acts as the Service Manager for the subsidized programs. The transactions include receipt of subsidy payments and capital grants, purchases of electricity and water and sewage services and payment of property taxes. These transactions are all in the normal course of business for the Corporation and are recorded at exchange value, which approximates cost.

Revenue and accounts payable/receivable

Total Service Manager revenue amounted to $60,347 [2020 – $59,258], with a balance of subsidies payable of $1,311 as at December 31, 2021 [2020 – $841].

The amount receivable from the City of Ottawa for capital and Safe Restart grants amounted to $4,317 [2020 – $531].

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2021

Expenses and accounts payable

The following expenses are included in the statement of operations and surplus for the year ended December 31, 2021:

	2021 $	2020 $
Municipal taxes	**1,490**	1,467
Electricity charges	**7,874**	7,642
Water and sewage costs	**12,370**	11,858

Included within accounts payable and accrued liabilities on the balance sheet as at December 31, 2021 is a balance payable of $2,846 [2020 – $2,692].

15. Capital management

In managing capital, the Corporation focuses on liquid resources available for operations and capital expenditures. The Corporation's objective is to have sufficient liquidity to manage both operating and capital expenditures. The need for sufficient liquidity is considered in the preparation of an annual budget and in the monitoring of cash flows and actual results compared to the budget. As at December 31, 2021, the Corporation has met its objective of having sufficient liquidity to meet its current obligations.

16. Financial instruments and risk management

Credit risk

The Corporation is exposed to credit risk on the rent receivable from tenants and on other receivables from other parties. In order to reduce its credit risk, the Corporation has adopted credit policies that include the regular review of outstanding receivables. The Corporation does not have a significant exposure to any individual tenant or other parties.

Interest rate risk

The investments with flexible interest rates will expose the Corporation to interest rate risk. There is risk of market value adjustments on investments, which may result in cash flow risk. As at December 31, 2021, the Corporation has no holdings in equities or bonds.

The short-term bank credit facilities bear interest at fluctuating rates. Due to the positive cash flows of the Corporation, there has been no need to use the credit facility in the last few years; thus, the exposure to interest rate risk on this facility is nominal. All other financial assets and liabilities, in the form of receivables and payables, are non-interest bearing. There is an interest rate risk in the Equity Program with regard to refinancing of mortgages at renewal.

Market risk

Market risk includes the risk arising from changes in interest rates and the risks arising from the failure of a party to a financial instrument to discharge an obligation when it is due.

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[in thousands of Canadian dollars]

December 31, 2021

Concentration of risk exists when a significant portion of the portfolio is invested in securities with similar characteristics or subject to similar economic, political or other conditions. The Corporation has adopted an investment policy, with a target mix of investment types designed to achieve optimal return within reasonable risk tolerance. As at December 31, 2021, the Corporation has no holdings in equities or bonds.

COVID-19 risk

The outbreak of COVID-19 has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak are unknown at this time, as is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments nor the impact on the financial position and financial results of the Corporation in future periods. During 2021, the Corporation implemented the business process, operational measures and technology changes necessary to address the risks associated with the pandemic.

The Corporation continues to review impacts on the projects and service delivery. As at December 31, 2021, the Corporation does not anticipate any pandemic related operational impacts or long-term strategic consequences that would significantly impact its ability to deliver services.

Ottawa Community Housing Corporation **Schedule A**

Schedule of mortgages, debentures and loans

Institution / Program and property	Maturity date	Renewal date if different from maturity	Interest rate %	Principal 12/31/2020 $	Mortgage renewal issued in 2021 $	Repayments 2021 Interest $	Repayments 2021 Principal $	Repayments 2021 Yearly payment $	Principal 12/31/2021 $
Bank of Montreal									
Provincial Reformed									
Hintonburg Place	2028/03/01		6.011%	3,348,100	**—**	**186,614**	**381,843**	**568,457**	**2,966,257**
Equity General									
Head Office	2031/05/01	2021/05/01	2.790%	1,005,126	**1,279,699**	**33,108**	**57,897**	**91,005**	**2,226,928**
Carson Road	2041/01/01	2026/01/01	3.800%	2,609,499	**—**	**96,575**	**88,909**	**185,484**	**2,520,590**
Arlington	2044/01/01	2029/01/01	3.910%	3,287,103	**—**	**125,603**	**90,154**	**215,757**	**3,196,949**
Gladstone Village	2021/05/31		Prime +.25%	3,500,000	**—**	**86,553**	**—**	**86,553**	**3,500,000**
Total Bank of Montreal				13,749,828	**1,279,699**	**528,453**	**618,803**	**1,147,256**	**14,410,724**
Canada Mortgage and Housing Corporation									
Limited Dividend – Apartments									
Haley Court	2021/04/01		3.150%	19,984	**—**	**130**	**19,984**	**20,114**	**—**
Christie Place	2021/06/01		3.150%	121,268	**—**	**1,106**	**121,268**	**122,374**	**—**
Provincial Reformed									
Cameron Court	2023/06/01	2021/06/01	3.150%	776,772	**(626,233)**	**11,140**	**150,539**	**161,679**	**—**
Esson Place	2023/06/01	2021/06/01	3.150%	734,465	**(592,125)**	**10,533**	**142,340**	**152,873**	**—**
Equity									
811 Gladstone Ave	2071/27/05	2031/06/01	1.770%	—	**19,423,227**	**—**	**—**	**—**	**19,423,227**
Various Projects									
Equity & Public	2062/01/01	2032/01/01	1.700%	—	**5,108,949**	**—**	**—**	**—**	**5,108,949**
Total Canada Mortgage and Housing Corporation				1,652,489	**23,313,818**	**22,909**	**434,131**	**457,040**	**24,532,176**
Scotia Mortgage and Line of Credit									
Provincial Reformed									
Marion Dewar Place	2024/05/01		5.830%	5,520,373	**—**	**308,017**	**382,005**	**690,022**	**5,138,368**
Community Sponsored									
Carson/Paul; Riddell; Edgeworth 460; Tweedsmuir; Beausejour 2; Ashgrove	2027/06/01		Floating+1.10%	6,250,537	**—**	**175,485**	**464,256**	**639,741**	**5,786,281**
Total Scotia Mortgage and Line of Credit				11,770,910	**—**	**483,502**	**846,261**	**1,329,763**	**10,924,649**

Ottawa Community Housing Corporation

Schedule of mortgages, debentures and loans

Institution / Program and property	Maturity date	Interest rate %	Principal 12/31/2020 $	Mortgage renewal issued in 2021 $	Repayments 2021 Interest $	Repayments 2021 Principal $	Repayments 2021 Yearly payment $	Principal 12/31/2021 $
Toronto-Dominion Bank								
Equity General								
380 Somerset St	2026/04/01	2.700%	3,053,713	—	**80,586**	**114,456**	**195,042**	**2,939,257**
Provincial Reformed								
Lady Stanley Place	2023/08/01	6.005%	1,252,357	—	**62,257**	**446,419**	**508,676**	**805,938**
Vachon Place	2023/11/01	5.967%	1,898,859	—	**105,777**	**229,465**	**335,242**	**1,669,394**
McAuley Place	2024/06/01	6.100%	5,357,496	—	**306,572**	**590,516**	**897,088**	**4,766,980**
Scotthill	2024/12/01	6.752%	4,276,899	—	**269,338**	**511,663**	**781,001**	**3,765,236**
Total Toronto-Dominion Bank			15,839,324	—	**824,530**	**1,892,519**	**2,717,049**	**13,946,805**
Royal Bank								
Municipal Non-profit								
Strathcona: Wiggins, 300	2021/03/01	4.088%	934,162	**(880,660)**	**14,790**	**53,502**	**68,292**	**—**
Total Royal Bank			934,162	**(880,660)**	**14,790**	**53,502**	**68,292**	**—**
Grand total all mortgages			43,946,713	**23,712,857**	**1,874,184**	**3,845,216**	**5,719,400**	**63,814,354**

Ottawa Community Housing Corporation

Schedule A

Schedule of debentures – Infrastructure Ontario

Institution / Program and property	Maturity date	Interest rate %	Principal 12/31/2020 $	Mortgage renewal issued in 2021 $	Repayments 2021 Interest $	Repayments 2021 Principal $	Repayments 2021 Yearly payment $	Principal 12/31/2021 $
Infrastructure Ontario								
Various Projects	2040/08/16	4.960%	15,043,139	—	**735,698**	**463,450**	**1,199,148**	**14,579,689**
Equity General								
312 Cumberland	2036/06/01	4.710%	3,443,314	—	**158,872**	**154,565**	**313,437**	**3,288,749**
Richelieu Court	2036/07/15	4.600%	973,161	—	**43,851**	**43,747**	**87,598**	**929,414**
Ron Kolbus Place	2043/12/16	4.540%	3,832,467	—	**171,997**	**96,790**	**268,787**	**3,735,677**
Den Haag	2045/07/02	3.680%	6,340,362	—	**230,616**	**161,684**	**392,300**	**6,178,678**
3225 Uplands Drive	2050/03/02	2.710%	1,967,253	—	**52,760**	**44,710**	**97,470**	**1,922,543**
1290 Coldrey Avenue	2050/11/17	2.730%	3,793,172	—	**102,518**	**83,157**	**185,675**	**3,710,015**
Tranche 1-2012								
Lebreton1; Fairlea Court; Rockingham; Hasenack Place; Lebreton 55-65; Blohm Court	2042/07/03	3.930%	21,356,335	—	**827,832**	**641,456**	**1,469,288**	**20,714,879**
Tranche 2-2012								
Allard Place, Strathcona: Sentier	2042/12/03	3.870%	7,889,871	—	**301,252**	**231,999**	**533,251**	**7,657,872**
Tranche 1-2013								
Strathcona: Renovations 1 Gilmour May Nickson Place	2043/08/02	4.340%	10,062,447	—	**431,444**	**266,819**	**698,263**	**9,795,628**
Tranche 2-2013								
Bruyère & Bélanger Manor Eva Taylor Strathcona: Nancy Smith Orchard Grove Revell Court	2043/12/02	4.530%	14,192,122	—	**635,513**	**358,888**	**994,401**	**13,833,234**
Tranche-2014								
Strathcona: Wiggins, 206-296 Silver Heights	2044/11/03	3.810%	8,207,310	—	**308,979**	**214,464**	**523,443**	**7,992,846**
Tranche-2015								
Thorncliffe Court; Spadina Place; Nepean Place	2045/10/15	3.790%	10,862,804	—	**407,065**	**268,679**	**675,744**	**10,594,125**

Ottawa Community Housing Corporation **Schedule A**

Schedule of debentures – Infrastructure Ontario

Institution / Program and property	Maturity date	Interest rate %	Principal 12/31/2020 $	Mortgage renewal issued in 2021 $	Repayments 2021 Interest $	Repayments 2021 Principal $	Repayments 2021 Yearly payment $	Principal 12/31/2021 $
Tranche 1-2016								
212 Bronson Avenue; 1433 Mayview; 507 Riverdale	2046/05/02	3.610%	8,987,383	—	**320,829**	**219,958**	**540,787**	**8,767,425**
Tranche 2-2016								
Cahill Place; Cairine Court; Dubeau Court; Bathgate Court; Lebreton 2; Strathcona Wiggins 301-427; Strathcona Goulburn 300; St. Laurent Place	2046/08/02	3.270%	35,163,775	—	**1,136,601**	**889,598**	**2,026,199**	**34,274,177**
Tranche 1-2017								
Loretta/Young; Shearwater Court; Karsh Court: McCartin Place; Strathcona: Wiggins 310, 320 and 430	2047/06/01	3.450%	28,683,638	—	**978,994**	**674,016**	**1,653,010**	**28,009,622**
Tranche 2-2017								
Lebreton 3; St. Peter's Court; Hunt Club	2047/11/01	3.740%	13,579,471	—	**502,794**	**298,268**	**801,062**	**13,281,203**
Tranche 2018								
Woodland Place; Winthrop Court; Strathcona: Renovations 2	2048/09/04	3.750%	8,618,742	—	**320,129**	**180,035**	**500,164**	**8,438,707**
Tranche 2019								
Tapiola Court; Woodland Place; Lavigne Court; Brian Courns Place	2049/09/03	2.950%	21,029,471	—	**614,024**	**471,796**	**1,085,820**	**20,557,675**
Tranche 2020								
Cumberland/George; Beausejour 4	2050/03/02	2.710%	5,880,118	—	**157,699**	**133,639**	**291,338**	**5,746,479**
Tranche 2021								
Haley Court;Christie Place; Cameron Court; Esson Place	2051/06/24	2.920%	—	**22,655,000**	**329,320**	**237,919**	**567,239**	**22,417,081**
Infrastructure Ontario			229,906,355	**22,655,000**	**8,768,787**	**6,135,637**	**14,904,424**	**246,425,718**

Schedule of mortgages, debentures and loans

Debentures	Maturity date	Interest rate	Principal 12/31/2020	Repayments 2021 Interest	Repayments 2021 Principal	Repayments 2021 Yearly payment	Principal 12/31/2021
		%	$	$	$	$	$
Debentures – Public Program							
Various Projects	2022/01/01 to 2026/01/01	6.09%	5,189,113	**298,380**	**2,532,732**	**2,831,112**	**2,656,381**
Total debentures – Public Program			5,189,113	**298,380**	**2,532,732**	**2,831,112**	**2,656,381**

Ottawa Community Housing Corporation | Schedule A

Forgivable loans

As at December 31, 2021

	Interest rate	Maturity date	Forgivable loan	Principal 12/31/2020	Issued 2021	Forgivable portion 2021	Principal 12/31/2021
	%		$	$	$	$	$
Ontario Affordable Housing Program							
380 Somerset St	0.00%	2025/12/01	1,740,000	1,740,000	—	—	**1,740,000**
245-247 Crichton Street	0.00%	2032/01/01	720,000	720,000	—	—	**720,000**
2926 Michele Drive	0.00%	2051/01/01	800,000	800,000	—	—	**800,000**
140 Den Haag Drive	0.00%	2047/12/12	11,017,824	11,017,824	—	—	**11,017,824**
3225 Uplands Drive	0.00%	2052/01/24	2,400,000	2,247,464	**152,536**	—	**2,400,000**
1290 Coldrey Avenue	0.00%	2054/01/01	4,600,000	4,600,000	—	—	**4,600,000**
811 Gladstone Avenue	0.00%	2055/02/26	9,875,903	2,743,306	**7,132,597**	—	**9,875,903**
Total Ontario Affordable Housing Program			31,153,727	23,868,594	**7,285,133**	—	**31,153,727**
Housing and Poverty Reduction Investment Plan							
714 Carson Road	0.00%	2049/01/01	4,000,000	4,000,000	—	—	**4,000,000**
Total Housing and Poverty Reduction Investment Plan			4,000,000	4,000,000	—	—	**4,000,000**
Housing and Homelessness Investment Plan							
454-456 Old St. Patrick Street	0.00%	2050/03/01	1,200,000	1,200,000	—	—	**1,200,000**
Total Housing and Homelessness Investment Plan			1,200,000	1,200,000	—	—	**1,200,000**
Dovercourt Recreation							
2 Van Lang Private	0.00%	2036/06/01	1,200,000	1,200,000	—	—	**1,200,000**
Total Dovercourt Recreation			1,200,000	1,200,000	—	—	**1,200,000**
City of Ottawa Affordable Housing Program							
715 Mikinak Road - Phase 1	0.00%	2079/12/01	1,000,000	—	**1,000,000**	—	**1,000,000**
Total City of Ottawa Affordable Housing Program			1,000,000	—	**1,000,000**	—	**1,000,000**
Ministry of Municipal Affairs and Housing-Ontario Priorities Housing Initiative							
715 Mikinak Road - Phase 2	0.00%	2079/08/08	1,312,304	—	**1,312,304**	—	**1,312,304**
Total Ministry of Municipal Affairs and Housing-Ontario Priorities Housing Initiative			1,312,304	—	**1,312,304**	—	**1,312,304**

Forgivable loans

As at December 31, 2021

	Interest rate	Maturity date	Forgivable loan	Principal 12/31/2020	Issued 2021	Forgivable portion 2021	Principal 12/31/2021
	%		$	$	$	$	$
Canada Mortgage and Housing Corporation National Housing Co-Investment Fund New Construction							
811 Gladstone Avenue	0.00%	2041/06/01	2,170,000	—	**2,170,000**	**—**	**2,170,000**
Total Canada Mortgage and Housing Corporation National Housing Co-Investment Fund New Construction			2,170,000	—	**2,170,000**	**—**	**2,170,000**
Canada Mortgage and Housing Corporation, Rapid Housing Initiative & Ontario Social Service Relief Fund							
3380 Jockvale Road	0.00%	2042/03/31	1,000,000		**1,000,000**	**—**	**1,000,000**
Total Canada Mortgage and Housing Corporation, Rapid Housing Initiative & Ontario Social Service Relief Fund			1,000,000	—	**1,000,000**	**—**	**1,000,000**
Canada Mortgage and Housing Corporation National Housing Co-Investment Fund, Capital Repair and Renewal Program							
Public & Equity - Various Locations	0.00%	2048/01/01	3,405,966	—	**3,405,966**	**—**	**3,405,966**
Total Canada Mortgage and Housing Corporation National Housing Co-Investment Fund, Capital Repair and Renewal Program			3,405,966	—	**3,405,966**	**—**	**3,405,966**
Total forgivable loans			46,441,997	30,268,594	**16,173,403**	**—**	**46,441,997**

Internal loans

As at December 31, 2021

Internal Borrowing	Program and property	Maturity date	Interest rate	Principal 12/31/2020	Mortgage renewal: Issued in 2021	Mortgage renewal: Discharged in 2021	Repayments 2021: Interest	Repayments 2021: Principal	Repayments 2021: Yearly payment	Principal 12/31/2021
			%	$	$	$	$	$	$	$
Provincial Reformed										
	Strathcona:									
	Wiggins, 300	2021-06-01	4.088%	—	**880,660**	**(853,157)**	**5,946**	**27,503**	**33,449**	**—**
Grand total all internal loans				—	**880,660**	**(853,157)**	**5,946**	**27,503**	**33,449**	**—**