

# Ottawa Community Housing Corporation

Financial statements  
December 31, 2024



Shape the future  
with confidence

# 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, 2024, and the statement of operations and surplus, statement of reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Corporation for the year ended December 31, 2024 are prepared, in all material respects, in accordance with the reporting provisions of the *Housing Services Act* and the guidance in their application provided by the City of Ottawa as Service Manager [the "financial reporting framework"].

## 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 other 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

We draw attention to note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Corporation to comply with the reporting provisions of the financial reporting framework. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Corporation and the Service Manager and should not be used by parties other than the Corporation or the Service Manager.

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting framework 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.

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 1, 2025

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

	2024	2023
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	47,593	43,327
Investments	—	10,548
Rent receivable	3,840	3,739
Other accounts receivable	7,167	6,820
Other advances [note 18]	—	5,856
HST receivable	5,864	7,870
Prepaid expenses	4,777	4,308
<b>Total current assets</b>	<b>69,241</b>	<b>82,468</b>
Capital assets, net [note 4]	725,725	523,784
	<b>794,966</b>	<b>606,252</b>
<b>Liabilities and net assets</b>		
<b>Current</b>		
Subsidies payable – City of Ottawa [Service Manager] [note 16]	5,774	6,553
Accounts payable and accrued liabilities [note 16]	46,568	46,751
Accrued interest on long-term debt	1,502	1,021
Prepaid rents	6,208	4,390
WSIB benefits obligation – current [note 12]	535	515
Current portion of long-term debt [note 6]	11,997	11,874
<b>Total current liabilities</b>	<b>72,584</b>	<b>71,104</b>
Employee future benefits obligation [note 11]	3,223	3,309
WSIB benefits obligation – future [note 12]	4,080	4,011
Deferred revenue [note 5]	53,531	53,761
Long-term debt [note 6]	530,797	380,118
Asset retirement obligation [note 13]	10,176	7,925
<b>Total liabilities</b>	<b>674,391</b>	<b>520,228</b>
Contingent liabilities and commitments [notes 14 and 15]		
<b>Net assets</b>		
Contributed surplus [note 8]	2,400	2,400
Reserves [note 9]	118,175	83,624
<b>Total net assets</b>	<b>120,575</b>	<b>86,024</b>
	<b>794,966</b>	<b>606,252</b>

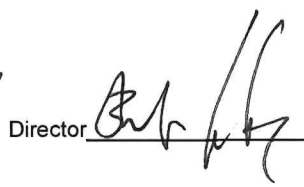
See accompanying notes

On behalf of the Board:

Director



Director



## Ottawa Community Housing Corporation

### Statement of operations and surplus

[in thousands of Canadian dollars]

Year ended December 31

	2024	2023
	\$	\$
<b>Revenue</b>		
Rents	97,604	84,417
Government transfers <i>[note 16]</i>		
Subsidies – Service manager	56,415	56,407
Subsidies – Service manager – Safer communities	4,523	2,932
Other government transfers <i>[note 5]</i>	49,366	21,962
Other revenue	5,404	5,562
	<b>213,312</b>	<b>171,280</b>
<b>Operating costs</b>		
Utilities	29,020	28,431
Building operations	30,073	30,167
Staffing costs	46,653	43,273
Administration and other	8,117	6,874
	<b>113,863</b>	<b>108,745</b>
<b>Fixed costs</b>		
Municipal taxes <i>[note 16]</i>	1,913	1,336
Interest on long-term debt	16,552	10,876
Depreciation of capital assets	14,245	12,944
	<b>32,710</b>	<b>25,156</b>
<b>Total costs</b>	<b>146,573</b>	<b>133,901</b>
Net income before reserve contribution for the year	66,739	37,379
Contributions to reserves	(66,739)	(37,379)
<b>Net surplus for the year</b>	<b>—</b>	<b>—</b>

See accompanying notes

Ottawa Community Housing Corporation

**Statement of reserves**

[in thousands of Canadian dollars]

Year ended December 31

	Capital Reserve	Vehicle	Investment in Capital Assets [Equity Program]	Stabilization Reserve Fund	Equity Operating Reserve Fund	Public Housing Operating Reserve Fund	Community Reinvestment Fund	Green Fund	Total	
	\$	\$	\$	\$	\$	\$	\$	\$	2024	2023
									\$	\$
<b>Balance, beginning of year</b>	<b>9,432</b>	<b>1,810</b>	<b>21,378</b>	<b>7,572</b>	<b>736</b>	<b>2,767</b>	<b>35,720</b>	<b>4,209</b>	<b>83,624</b>	88,056
Contributions from operations	<b>17,828</b>	—	—	—	<b>42,624</b>	<b>6,742</b>	<b>(455)</b>	—	<b>66,739</b>	37,379
Other contributions	<b>5,840</b>	—	—	—	—	—	<b>137</b>	<b>379</b>	<b>6,356</b>	5,459
Realized value from Infrastructure Ontario and CMHC financing <i>[note 4]</i>	<b>41,971</b>	—	—	—	—	—	—	—	<b>41,971</b>	25,469
Interest income	<b>281</b>	<b>42</b>	—	<b>178</b>	<b>17</b>	<b>65</b>	<b>838</b>	<b>99</b>	<b>1,520</b>	2,121
Expenses	<b>(76,804)</b>	<b>(400)</b>	—	—	—	—	<b>(3,645)</b>	<b>(1,186)</b>	<b>(82,035)</b>	(74,860)
Interfund transfers and internal loans <i>[note 9]</i>	<b>8,445</b>	<b>630</b>	<b>8,529</b>	<b>(7,000)</b>	<b>(42,624)</b>	<b>(6,808)</b>	<b>38,828</b>	—	—	—
<b>Balance, end of year</b>	<b>6,993</b>	<b>2,082</b>	<b>29,907</b>	<b>750</b>	<b>753</b>	<b>2,766</b>	<b>71,423</b>	<b>3,501</b>	<b>118,175</b>	83,624

See accompanying notes

# Ottawa Community Housing Corporation

## Statement of cash flows

[in thousands of Canadian dollars]

Year ended December 31

	2024	2023
	\$	\$
<b>Operating activities</b>		
Net revenue before reserve contribution for the year	66,739	37,379
Add item not affecting cash		
Depreciation of capital assets	14,245	12,944
Changes in non-cash working capital balances related to operations		
Rent receivable and accounts receivable	(448)	(2,756)
HST receivable and prepaid expenses	1,537	(3,970)
Subsidies payable – City of Ottawa [Service Manager]	(779)	(3,126)
Accounts payable and accrued liabilities	(183)	10,219
Accrued interest on long-term debt	481	197
Prepaid rents	1,818	672
Employee benefits costs	(86)	(1,776)
WSIB benefits costs	89	442
Asset retirement obligation	2,251	421
<b>Cash provided by operating activities</b>	<b>85,664</b>	<b>50,646</b>
<b>Investing activities</b>		
Sale (purchase) of investments, net	10,548	(10,548)
Interest earned on reserves balance	1,520	2,121
<b>Cash provided by (used in) investing activities</b>	<b>12,068</b>	<b>(8,427)</b>
<b>Financing activities</b>		
Mortgages, loans and debentures additions	278,075	89,190
Mortgages, loans and debentures repayments	(127,273)	(12,484)
Deferred revenue additions	49,136	60,911
<b>Cash provided by financing activities</b>	<b>199,938</b>	<b>137,617</b>
<b>Capital activities</b>		
Other contributions made to reserves	(43,010)	(16,503)
Acquisition of capital assets	(174,215)	(90,937)
Other advances	5,856	(4,064)
Capital expense charged to reserves	(82,035)	(74,860)
<b>Cash used in capital activities</b>	<b>(293,404)</b>	<b>(186,364)</b>
<b>Net increase (decrease) in cash during the year</b>	<b>4,266</b>	<b>(6,528)</b>
Cash and cash equivalents, beginning of year	43,327	49,855
<b>Cash and cash equivalents, end of year</b>	<b>47,593</b>	<b>43,327</b>
<b>Supplemental cash flow disclosure</b>		
Cash paid for interest	16,552	10,876

See accompanying notes

# Ottawa Community Housing Corporation

## Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

### 1. Organization

Ottawa Community Housing Corporation ["OCHC" or 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, which generally conform to Canadian public sector accounting standards for Government Not-for-Profit Organizations ["PSAS GNPO"]. However, the basis of accounting differs from PSAS GNPO due to the following:

- [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. Any asset retirement costs and obligations related to assets governed by the HSA are not included in the financial statements.
- [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] Grants for capital purposes [repairs] are recognized as revenue in the Capital Reserve upon progress completion of the repairs or new developments in accordance with the grant agreements.
- [g] Contributions received from public sector entity are recorded, presented and disclosed in accordance with the PS 3410 *Government transfers* rather than PS 4210 *Contributions – revenue recognition*.

The following is a summary of the significant accounting policies used in the preparation of the Corporation's financial statements:



## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

#### **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 the rent-geared-to-income revenues in the period to which the lease or use of property relates.

The largest component of OCHC's housing portfolio is rent-geared-to-income ["RGI"], which is governed by the HSA legislative framework. RGI provides affordable housing to eligible low-income families in subsidized housing, and households pay no more than 30 per cent of their income towards rent, while the Service Manager pays OCHC the subsidy to cover the difference between RGI rent and market rent.

#### **Financial instruments**

The Corporation's financial instruments consist of cash and cash equivalents, investments, rent receivable, other accounts receivable, HST receivable, subsidies payable, accounts payable and accrued liabilities, and long-term debt. The Corporation subsequently measures its financial instruments at cost or amortized cost which approximates their fair values unless otherwise noted. Transactions are recorded on settlement date.

#### **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.

#### **Investments**

Investments include interest-bearing instruments with maturities of 365 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, including any asset retirement obligations.

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 60 years.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

#### **Government transfers**

The Corporation receives the following forms of government transfers:

- Service Manager – The Service Manager provides payment to the corporation in the form of a subsidy equal to the difference between RGI rent and market rent in accordance with HSA legislation. The RGI operating subsidy is recognized based on the approved fiscal allocation by the Service Manager and adjusted based on annual reconciliation of actual revenue and expenses, performed subsequent to the year-end. Any further adjustments are recorded in the year of the Service Manager approval.
- Subsidies – Safer communities – The Service Manager provides payment to the corporation in connection to its Community Safety Services program.
- Other government transfers – Other government transfers consist of the recognition of deferred revenue and the forgivable portion of the Affordable Housing Fund [AHF] Capital Repair and Renewal Program.

Where the Corporation is the recipient entity:

- A government transfer without eligibility criteria or stipulations is recognized as revenue when the transfer is authorized;
- A government transfer with eligibility criteria but without stipulations is recognized as revenue when the transfer is authorized, and all eligibility criteria have been met;
- A transfer with or without eligibility criteria but with stipulations is recognized as revenue in the period the transfer is authorized, and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the Corporation, which is then recorded as deferred revenue.

#### **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.

Interest income realized, unrealized gains and losses, and any impairment related to investments 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 future benefit plans:

- [i] The Corporation's contributions to a multi-employer defined benefit pension plan are expensed when contributions are due;

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

- [ii] The liability and the expense of termination benefits and compensated absences that do not vest or accumulate 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. Actuarial gains are recognized over a period linked to the type of benefit;
- [iii] The liability and expense of post-retirement employee benefits that vest and accumulate are recognized in the period in which employees render services to the Corporation in return for the benefits. The measurement of the obligation is 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 liability and expense of the workplace safety and insurance obligations ["WSIB"] are actuarially determined based on the present value of projected future payments on past 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. Changes in accounting policies

#### PS 3400

PS 3400, Revenue ["PS 3400"] was issued by the Public Sector Accounting Standards Board [PSAB] in November 2018 and effective for fiscal years beginning on or after April 1, 2023.

Prior to PS 3400, the Public Sector Accounting [PSA] Handbook only contained guidance on specific revenue transactions such as taxation, government transfers, etc. As a result, many public sector entities consulted other sources of generally accepted accounting principles [GAAP] when accounting for types of revenue for which the PSA Handbook did not provide specific guidance, which resulted in diversity in practice. Section PS 3400 establishes overall guidance on how to account for and report revenue.

The Corporation adopted PS 3400 on January 1, 2024. The impact of PS 3400 was minimal as [1] the majority of OCHC's revenue consists of tenant rent payments, for which the accounting treatment previously applied by the Corporation was aligned with the requirement of the new PS 3400, and [2] the Corporation's largest source of other income is under the scope of PS3410 – Government Transfers.

#### PS 3160

PS 3160, *Public Private Partnerships* ["PS 3160"], was issued by PSAB in April 2021. It is effective for fiscal years beginning on or after April 1, 2023.

The Corporation adopted PS 3160 on January 1, 2024. Upon review, OCHC concluded that there is no impact of this standard on OCHC's financial statements as the Corporation does not have any public private partnerships at the time of adoption.

# Ottawa Community Housing Corporation

## Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

### 4. Capital assets

Capital assets consist of the following:

	2024 \$	2023 \$
Land	124,945	82,283
Prepaid land leases	1,104	1,104
Buildings and equipment	987,325	816,052
Asset retirement cost <i>[note 13]</i>	10,176	7,925
	<b>1,123,550</b>	907,364
Less accumulated depreciation	397,825	383,580
<b>Net book value</b>	<b>725,725</b>	<b>523,784</b>

#### Capital asset additions

In 2024, three properties [2023 – two] with a net book value of \$38,126 [2023 – \$13,481] 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 \$38,126 [2023 – \$13,481] from IO, which represents the fair value of the three properties [2023 – two]. The Corporation used \$9,120 [2023 – \$1,005] to repay the outstanding mortgages, and the remaining balance of \$29,006 [2023 – \$12,476] was transferred to the Capital Reserve and the Corporation recorded a corresponding increase in the property value.

In 2024, Macdonald Manor, an unencumbered site in OCHC’s equity portfolio was leveraged in order to support its equity contribution towards the development of Mosaïq Phase 2, and to re-invest in capital repairs and the reduction of deferred maintenance across the portfolio. The Corporation borrowed \$21,318 [2023 – nil] from Canada Mortgage and Loan Services Corporation [“CMLS Financial Ltd.”], which represents the fair value of the property. OCHC transferred the full balance to the Community Reinvestment Fund and 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 Housing Co-Investment Fund [now the AHF] Capital Repairs and Renewal Program to fund capital repair work for the Equity and Public program in 2020–2028. In 2021, OCHC executed the credit agreement with CMHC agreement under AHF to provide \$100,145 in repayable loans and \$65,412 in forgivable loans from 2021–2028. In 2024, the credit agreement was amended, reducing the forgivable loans portion to \$48,212 while leaving the repayable portion unchanged. All drawdowns will be issued upon the completion of the work. In 2024, OCHC has received a total of \$12,966 [2023 – \$12,993] of the CMHC AHF Capital Repairs repayable loan; it was transferred to the Capital Reserve, and the Corporation recorded a corresponding increase in the property value.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

#### ***Gladstone Village [75 Oak Street [formerly 933 Gladstone] [Phase 1]]***

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 50% by the Corporation through the Community Reinvestment Fund ["CRF"]. Prior to the commencement of any phases of development, \$7,673 of required infrastructural work was completed in June 2024. Construction of 75 Oak Street (Phase 1) commenced in July 2024 for the development of approximately 336 homes. This phase of the multi-year construction project will cost approximately \$156,153. The Corporation has secured \$57,678 in the Housing Accelerator Fund ["HAF"], \$2,451 in the Ontario Priorities Housing Initiative ["OPHI"], \$1,000 in municipal contributions, totalling \$61,129. The remaining construction costs will be financed by various sources, including the CRF and a combination of CMHC mortgage financing and government transfers. In 2024, the Corporation incurred and capitalized \$19,290 [2023 – \$6,307] in legal, design and construction costs.

#### ***Mosaïq Ottawa – [811 Gladstone Avenue [Phase 1] and 818 Gladstone Avenue [Phase 2]]***

##### ***Mosaïq Ottawa 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 was completed in 2023 at a total cost of approximately \$52,569. 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 are financed from the CRF and a combination of CMHC mortgage financing and government transfers. In 2024, the Corporation incurred and capitalized nil [2023 – \$5,951] in legal, design and construction costs.

##### ***Mosaïq Ottawa 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]. Construction for the 273 homes commenced in November 2023, with the multi-year project expected to cost \$142,476. The Corporation has secured \$39,095 in Capital Grant funding and \$5,326 in the Ontario Priorities Housing Initiative [OHPI], totalling \$44,421. The remaining construction costs are financed from the CRF and a combination of CMHC mortgage financing and government transfers. In 2024, the Corporation incurred and capitalized \$34,547 [2023 – \$5,338] in legal, design and construction costs.

#### ***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. The project includes 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. Construction commenced at the end of 2021 and was completed in July 2024 at a total estimated cost of \$116,279. Some final project costs are anticipated in 2025. The Corporation secured \$7,850 in Capital Grant funding (previously disclosed as \$7,000 in Housing and Homelessness Plan funding and \$850 in Capital Grant Funding), \$5,300 in Action Ottawa and municipal contributions, \$2,625 in the OHPI and \$24,150 in Priority Projects for

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

Municipalities Initiative ["PPM"] funding, totalling \$39,925. The remaining construction costs were financed by various sources, including the CRF and CMHC through the AHF New Construction Stream. In 2024, the Corporation incurred and capitalized \$16,777 [2023 – \$66,364] in legal, design and construction costs. In 2024, the construction of 715 Mikinak was fully realized. The Corporation received the Certificate of Substantial Completion and 271 new affordable homes were occupied within a four-storey building and two seven-storey buildings.

The land for 715 Mikinak was accrued under the Federal Lands Initiative ["FLI"], which is led by 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.

#### ***Branch Street Lands [505 and 515 Branch Street [Phase 1] and Geyser Place [Phase 2]]***

##### ***505 and 515 Branch Street [Formally 3380 Jockvale Road]***

The City of Ottawa 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, aiming to provide an even mix of two- and three-bedroom homes. In February 2021, the Board of Directors approved the construction project, which commenced at the end of 2021 with expected completion in 2024. However, due to significant non-performance issues, the contractor retained for this project was terminated in 2024. Through negotiations with the insurance company, OCHC secured a \$4,594 performance bond to be paid out in full to the Corporation, allowing it to complete the project in 2025. The construction estimate to complete the project is \$8,300.

The Corporation has secured \$5,855 in RHI funding, \$4,000 in Social Service Relief funding, and \$3,383 in Action Ottawa and municipal contributions, totaling \$13,238. In 2024, the Corporation incurred \$917 [2023 – \$5,260] in legal, design and construction costs, which were funded by the CRF and capitalized.

#### ***Zibi Development: Block 206***

In response to an OCHC-issued expression of interest, a proposal was received from development partners Dream and Theia, and Windmill Dream Ontario 206 LP, for the acquisition of homes in the Zibi development to provide high-quality affordable housing. In 2023, the Board of Directors approved the acquisition of 19 homes located on two floors within Block 206 of a 25-storey high-rise in the Zibi development. These homes represent 19 new affordable homes below Ottawa's average rent, to become homes for the working middle class outpaced by the soaring rental costs in the City of Ottawa.

The project was completed in March 2024 at a cost of \$7,474. In 2024, OCHC secured temporary bridge financing of \$6,000 from Scotiabank. The Corporation is seeking MLI Select long-term mortgage financing for the property in 2025. The temporary bridge financing will be repaid once long-term financing is secured. In 2024, OCHC paid construction deposits totalling \$1,912 [2023 – \$3,603] toward the purchase price, which were funded by the CRF.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

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#### ***Minto: Tanglewood/Chesterton Townhouse Communities***

In 2023, OCHC entered into negotiations with Minto Apartment REIT ["Minto"] regarding an acquisition opportunity for 311 three- and four-bedroom townhomes in Minto's Tanglewood and Chesterton communities. The properties, Tanglewood and Chesterton, are near each other in the Nepean area of Ottawa, just west of the inner core. The Tanglewood community was built in 1975 and comprises 122 three-bedroom townhomes. Chesterton was built in 1969 and includes 154 three-bedroom townhomes and 35 four-bedroom townhomes [189 townhomes in total].

In 2024, the Board of Directors approved the acquisition and OCHC closed on the Tanglewood and Chesterton properties in the amount of \$32,200 and \$53,800, respectively, plus applicable fees and taxes, as per the purchase and sale agreement. OCHC secured \$86,000 in temporary bridge financing from Scotiabank to facilitate the purchase of both properties on February 14, 2024. The Corporation secured MLI Select long-term financing for \$84,207 and paid back the temporary bridge financing in May 2024. The remaining costs were financed from the CRF.

Under the Corporation's ownership, the current tenants will remain housed. By limiting rent increases to cover cost recovery only, OCHC achieves its long-term goal of maintaining affordable rents. The rents align with the guidelines set by the CMHC for affordable market rents. ARRIV Properties, the new banner for OCHC's affordable housing rentals, will manage both properties and ensure a smooth transition with minimal disruptions for current tenants.

#### ***Shearwater Court***

Shearwater Court is a 74-townhouse community that was constructed in 1982. The overall community is a candidate for redevelopment given it has reached the end of its lifecycle. The project requires the demolition of a nine-home townhouse block and utilizes unused lands to construct a six-storey midrise building [45 homes], leaving 65 existing homes for redevelopment. In 2024, the Board of Directors approved the construction project and work is expected to commence in 2025. This multi-year construction project will cost approximately \$27,800. In 2024, the City of Ottawa awarded OCHC up to \$9,427 in the HAF and \$264 in municipal contributions, totalling \$9,691. The remaining construction costs will be financed by various sources, including the CRF and a combination of CMHC mortgage financing and government transfers. In 2024, the Corporation incurred \$550 [2023 – \$487] in design costs, which were capitalized.

#### ***200 Beausoleil Drive [formerly Chapel/Friel Street]***

In early 2023, the Board of Directors approved the 200 Beausoleil Drive project [formerly Chapel/Friel Street] to continue to bring this project to a shovel-ready state. Diamond Schmitt Architects were engaged in June 2023 to lead the design. The project was initially conceived as a 12-storey building, but after review of the new Official Plan and Secondary Plan, it was increased to 20 storeys. The project will cost approximately \$85,400 and will add 159 homes to the portfolio, serving singles and couples in a 15-minute community. In 2024, the City of Ottawa awarded OCHC \$2,681 of predevelopment funding from the HAF. OCHC is currently working with all levels of government to secure financing and incremental funding to advance the project. In 2024, the Corporation incurred \$929 [2023 – \$717] in design costs, which were capitalized.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

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#### ***Uplands Community House***

The Corporation continues the development of a common area for residents in the Uplands community. Atelier 292 Architects were engaged to lead the design. OCHC is currently working with all levels of government to secure funding and financing to advance the project. In 2024, the Corporation incurred \$132 [2023 – \$93] in design costs, which were capitalized.

#### ***Somerset Rooming House***

Somerset Rooming House project entails the demolition of a vacant end-of-life rooming house and development of a new 23-home supportive housing facility. With Board of Director approval in March 2024, CLV Architects were engaged to lead the design. This development project is estimated to cost \$10,800. In 2024, the City of Ottawa awarded OCHC \$645 of predevelopment funding from the HAF. OCHC is currently working with all levels of government to secure funding and financing to advance the project. In 2024, the Corporation incurred \$275 [2023 – nil] in design costs, which were capitalized.

#### ***Osgoode Housing Acquisition***

In 2024, OCHC was approached by the City of Ottawa regarding a transfer of 24 family homes from Osgoode Housing Corporation. The homes comprise a series of smaller multiplex buildings. In September 2024, the Board of Directors approved the purchase for \$1, the acceptance of \$900 and \$1,200 in Canada-Ontario Community Housing Initiative Year 5 ["COCHI"] and COCHI Year 6 funding, respectively, currently allocated for these properties, which can be reallocated to other sites, and upon completion of tenant relocation within the OCHC current portfolio, sell the homes with net proceeds being retained for future development activity.



## Ottawa Community Housing Corporation

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#### 5. Deferred revenue

Deferred revenue represents the government transfers for which the eligibility criteria with stipulations have not yet been met.

	2024 \$	2023 \$
<b>Balance, beginning of year</b>	<b>53,761</b>	14,812
Add government transfers received during the year		
City of Ottawa Capital Grant [818 Gladstone]	14,144	6,000
CMHC AHF [818 Gladstone]	4,232	—
Ontario Affordable Housing Program [811 Gladstone]	1,830	—
CMHC RHI & Ontario SSRF [505 and 515 Branch Street]	—	7,870
City of Ottawa Capital Grant [Mikinak Phase 1 & 2]	—	2,800
MMAH OPHI [Mikinak Phase 2]	—	1,050
MMAH PPM [Mikinak Phase 2]	—	13,500
CMHC AHF [Mikinak Phase 2]	—	7,729
City of Ottawa [Gladstone Village Phase 1]	330	—
MMAH OPHI [Gladstone Village Phase 1]	809	—
CMHC Housing Accelerator Funds [Gladstone Village Phase 1]	19,033	—
CMHC Seed Funds [Shearwater]	33	—
CMHC Seed Funds [Beausoleil]	80	—
CMHC AHF, Capital Repair and Renewal Program	8,645	8,662
CMHC AHF, Capital Repair and Renewal Program [2023]	—	13,300
	<b>49,136</b>	60,911
Less government transfers recognized as revenue		
Ontario Affordable Housing Program [811 Gladstone]	1,830	—
City of Ottawa Capital Grant [Mikinak Phase 1 & 2]	7,065	—
MMAH OPHI [Mikinak Phase 2]	2,362	—
MMAH PPM [Mikinak Phase 2]	21,735	—
CMHC AHF [Mikinak Phase 2]	7,729	—
CMHC AHF, Capital Repair and Renewal Program	8,645	8,662
CMHC AHF, Capital Repair and Renewal Program [2023]	—	13,300
	<b>49,366</b>	21,962
<b>Balance, end of year</b>	<b>53,531</b>	53,761

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

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The eligibility criteria with stipulations related to the following funding received by the Corporation were not met. Therefore, the Corporation has a balance of \$53,531 in deferred revenue for the following government transfers:

	2024 \$	2023 \$
CMHC AHF [Mikinak Phase 2]	—	7,729
City of Ottawa Capital Grant [818 Gladstone]	20,143	6,000
CMHC AHF [818 Gladstone]	4,232	—
CMHC RHI & Ontario SSRF [505 and 515 Branch Street]	8,870	8,870
City of Ottawa [Gladstone Village Phase 1]	330	—
MMAH OPHI [Gladstone Village Phase 1]	809	—
CMHC Housing Accelerator Funds [Gladstone Village Phase 1]	19,034	—
CMCH Seed Funds [Shearwater]	33	—
CMHC Seed Funds [Beausoleil]	80	—
City of Ottawa Capital Grant [Mikinak Phase 1 & 2]	—	7,065
MMAH OPHI [Mikinak Phase 2]	—	2,362
MMAH PPM [Mikinak Phase 2]	—	21,735
<b>Deferred revenue</b>	<b>53,531</b>	<b>53,761</b>

#### Canada Mortgage and Housing Corporation, Affordable Housing Fund, New Construction

CMHC's AHF supports the new construction of mixed-income, mixed-tenure, mixed-use affordable housing through the Community Housing Sub-Stream and the construction of shelters, transitional and supportive housing through the Rapid Housing Sub-Stream. This program under the federal government's National Housing Strategy provides primary financing to develop new, high-performing affordable housing located close to necessary supports and amenities, from public transit and jobs to daycares, schools, and health care.

In 2020, OCHC entered into an agreement with CMHC under the AHF to fund approximately \$167,916 towards new development. The funding will be in the form of government transfers 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 Gladstone Village Phase 1. Subsequent to year-end, the credit agreement was amended for Rochester Heights Phase 2 and Gladstone Village Phase 1, increasing the gross repayable portion to \$90,616. In 2024, the Corporation received a government transfer of \$4,232 [2023 – nil] for Rochester Heights Phase 2. No CMHC AHF New Construction funding was recognized as government transfers revenue for the year ended December 31, 2024 [2023 – nil].

In 2022, OCHC entered into an agreement with CMHC under AHF to fund \$73,396 towards 715 Mikinak. The funding will be in the form of government transfers of \$7,729 and low-interest repayable loans of \$65,666. In 2024, the construction of the 715 Mikinak project was fully realized. The Corporation received the Certificate of Substantial Completion and 271 new affordable homes within a four-storey building and two seven-storey buildings were occupied. Therefore, the Corporation met the stipulation requirement to complete construction and occupy the buildings with the prescribed level of affordable housing. The CMHC AHF funding of \$7,729 towards the

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

completed 715 Mikinak construction project is recognized as government transfers revenue as at December 31, 2024.

#### **Canada Mortgage and Housing Corporation Affordable Housing Fund, Capital Repair and Renewal Program**

The AHF 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 AHF 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 \$100,145 that would be used in 2021–2028 to support the preservation and revitalization of the existing housing Public and Equity stock representing approximately 11,000 OCHC homes. In 2024, the credit agreement was amended, reducing the forgivable loans portion to \$48,212 while leaving the repayable portion unchanged. In 2024, the Corporation received a government transfer of \$8,645 [2023 – \$8,662]. The funding is not repayable as long as the terms and conditions entered into with the CMHC are met. The CMHC AHF funding of \$8,645 [2023 – \$8,662] towards the Public and Equity Programs was recognized as government transfers revenue for the year ended December 31, 2024.

In 2023, OCHC obtained approval from the City of Ottawa Council to work with CMHC and to submit an AHF Capital Repair and Renewal Program application. The funding is in the form of forgivable loans of approximately \$13,300 that would be used in 2024–2025 to support the preservation and revitalization of the existing housing Municipal Non-for-Profit and Provincial Reformed Portfolios, representing approximately 3,500 OCHC homes. In 2024, the Corporation received a government transfer of \$ nil [2023 – \$13,300]. The funding is not repayable as long as the terms and conditions entered into with the CMHC are met. The CMHC NHCF funding of nil [2023 – \$13,300] towards Municipal Not-for-Profit and Provincial Reformed programs was recognized as government transfers revenue.

#### **Canada-Ontario Affordable Housing Program**

The Canada-Ontario Affordable Housing Program 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. As at December 31, 2024, the Corporation is in compliance with the terms and conditions of these agreements.

In 2018, the City of Ottawa approved a government transfer of \$18,305 towards the development of 811 Gladstone, of which \$1,830, the balance of the fund, was received in 2024 [2023 – nil]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa.

The remaining balance of \$1,830 [2023 – nil] is recognized as revenue as at December 31, 2024.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

#### **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 government transfers was secured under RHI and SSRF towards the development of 505 and 515 Branch Street, of which nil was received in 2024 [2023 – \$7,870]. The funding is not repayable so long as the project is operated within the terms and conditions entered into with CMHC. The construction of 505 and 515 Branch Street is in progress [note 4]; therefore, the recognition criteria with stipulations are not met and the funding is recorded as deferred revenue.

#### **Canada Mortgage and Housing Corporation, Seed Funding Program**

The Seed Funding Program provides financial assistance to offset the costs of early developmental activities related to initial phases of affordable housing projects. The program helps to increase the supply of affordable housing and assist with renovating existing affordable housing projects.

In 2024, OCHC entered into agreements with CMHC under the Seed Funding Program, which would be used towards the development of 200 Beausoleil Drive and Shearwater Court. The funding will be in the form of a government transfer of approximately \$117 and a low-interest repayable loan of \$79, totaling \$196. In 2024, the Corporation received a government transfer of \$113 [2023 – nil]. The funding is not repayable as long as the terms and conditions entered into with the CMHC are met.

#### **City of Ottawa Affordable Housing Project Capital Grant**

In 2019, City 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 2024, City Council consolidated funding agreements, resulting in funds of \$9,150 reallocated for other affordable housing projects, and reclassifying funds under the City of Ottawa Housing and Homelessness Plan to the Affordable Housing Project Capital Grant.

Since 2019, the City of Ottawa approved government transfers of \$17,000 towards the development of 715 Mikinak Phase 1 and 2. In 2024, this funding was reduced by \$9,150 resulting from a significant PPM project funding allocation. The City of Ottawa adjusted the approved government transfers to \$7,850, of which nil was received in 2024 [2023 – \$2,800]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa.

As at December 31, 2024, the Corporation is in compliance with the terms and conditions of these agreements. The 715 Mikinak project was substantially completed in May 2024 and occupied with the prescribed level of affordable homes. The total of \$7,065 is recognized as revenue as at December 31, 2024.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

In 2023, the City of Ottawa approved a government transfer of \$12,000 towards the development of 818 Gladstone. In 2024, the contribution agreement was amended and the City of Ottawa approved incremental government transfers of \$27,095, totaling \$39,095, of which \$11,481 was received this year [2023 – \$6,000]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. The construction of 818 Gladstone is in progress [note 4]; therefore, the recognition criteria with stipulations are not met and the funding is recorded as deferred revenue.

In 2024, the City of Ottawa approved government transfers of \$1,000 towards the development of 75 Oak Street, of which \$330 was received this year [2023 – nil]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. The construction of 75 Oak Street is in progress [note 4]; therefore, the recognition criteria with stipulations are not met and the funding is recorded as deferred revenue.

#### **Ministry of Municipal Affairs and Housing – Ontario Priorities Housing Initiative**

The Ministry of Municipal Affairs and Housing ["MMAH"] OPHI allocated \$17,700 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 government transfers of \$2,625 towards the development of 18 homes in Phase 2 of 715 Mikinak, of which nil was received in 2024 [2023 – \$1,050]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa.

As at December 31, 2024, the Corporation is in compliance with the terms and conditions of these agreements. The 715 Mikinak project was substantially completed in May 2024 and occupied with the prescribed level of affordable homes. The total of \$2,363 [2023 – nil] is recognized as revenue as at December 31, 2024.

In 2023, the City of Ottawa approved government transfers of \$5,326 towards the development of 818 Gladstone, of which \$2,663 was received this year [2023 – nil]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. The construction of 818 Gladstone is in progress [note 4]; therefore, the recognition criteria with stipulations are not met and the funding is recorded as deferred revenue.

In 2024, the City of Ottawa approved government transfers of \$2,451 towards the development of 75 Oak Street, of which \$809 was received this year [2023 – nil]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. The construction of 75 Oak Street is in progress [note 4]; therefore, the recognition criteria with stipulations are not met and the funding is recorded as deferred revenue.

#### **Ministry of Municipal Affairs and Housing – Priority Projects for Municipalities**

The PPM allocated \$24,150 in new funding to the City of Ottawa towards the construction of 138 units of 715 Mikinak. In 2023, the City of Ottawa approved government transfers of \$24,150 towards the development. As a result of securing PPM funding, the City of Ottawa reallocated \$9,150 of previously allocated Capital Grants for other affordable housing projects.

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

In 2023, the City of Ottawa approved incremental government transfers of \$15,000 towards 138 units of 715 Mikinak, of which nil was received in 2024 [2023 – \$13,500]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa.

As at December 31, 2024, the Corporation is in compliance with the terms and conditions of these agreements. The 715 Mikinak project was substantially completed in May 2024 and occupied with the prescribed level of affordable homes. The total of \$21,735 [2023 – nil] is recognized as revenue as at December 31, 2024.

#### City of Ottawa Housing Affordable Housing Project – Housing Accelerator Fund

In 2023, the City of Ottawa entered into the HAF contribution agreement with CMHC. As part of its commitment under the HAF, the City of Ottawa identified the 75 Oak Street project to be in its action plan to implement more affordable housing.

As of result of OCHC securing HAF funding, in 2024, the City of Ottawa approved government transfers of \$57,678, of which \$19,033 was received this year [2023 – nil]. The funding is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. The construction of 75 Oak Street is in progress [note 4]; therefore, the recognition criteria with stipulations are not met and the funding is recorded as deferred revenue.

#### 6. Long-term debt

	2024 \$	2023 \$
Mortgages	116,663	22,665
Debentures – Public Program	102	762
Debentures – Infrastructure Ontario	277,070	246,437
Line of credit	10,170	8,316
Construction Loans – CMHC	97,605	85,219
Capital Repair Loans – CMHC	41,184	28,593
	542,794	391,992
Less current portion of long-term debt	11,997	11,874
	530,797	380,118

In 2024, the Corporation, working with IO, the City of Ottawa and the Ministry of Housing, refinanced three [2023 – two] 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 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 \$38,126 [2023 – \$13,481] for long-term financing. The notes are repayable over 30 years at an interest rate ranging from 4.50%–4.77% [2023 – 4.60%], compounded monthly.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

In 2024, the Corporation bridge-financed Marion Dewar Place for two months in the amount of \$75 [2023 – nil] from the Capital Fund at an interest rate of 5.83%. This internal loan was included in the 2024 IO refinancing, and as at December 31, 2024, a principal balance of nil is outstanding.

In 2024, the Corporation bridge-financed McAuley Place for one month in the amount of \$59 [2023 – nil] from the Capital Fund at an interest rate of 6.10%. This internal loan was included in the 2024 IO refinancing, and as at December 31, 2024, a principal balance of nil is outstanding.

In 2024, the Corporation bridge-financed Scotthill for one month in the amount of \$54 [2023 – nil] from the Capital Fund at an interest rate of 6.75%. This internal loan was included in the 2024 IO refinancing, and as at December 31, 2024, a principal balance of nil is outstanding.

In 2020, OCHC entered into an agreement with CMHC under AHF, 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 Gladstone Village Phase 1. In 2024, the credit agreement was amended for Rochester Heights Phase 2, increasing the forgivable loans portion to \$4,232 and the repayable portion to \$79,577. In 2024, OCHC recorded a repayable loan of \$6,463 [2023 – \$3,395] to fund development costs of 818 Gladstone. The loan has a 10-year term and an interest rate of 3.35% [2023 – 1.77%].

In 2020, OCHC obtained approval from the City of Ottawa Council to work with CMHC and to submit an AHF 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 \$100,145 that would be used in 2021–2028 to support the preservation and revitalization of the existing housing Public and Equity stock representing approximately 11,000 OCHC units. In 2024, OCHC has received a total of \$12,996 [2023 – \$12,993] in the form of repayable loans. The loans have a 10-year term and interest rates ranging from 1.70% to 3.59% [2023 – 1.70%–3.59%].

In 2022, OCHC entered into an agreement with CMHC under AHF, to fund the construction of 715 Mikinak for approximately \$65,666 in repayable loans and \$7,729 in forgivable loans. In 2024, OCHC received a repayable loan of \$6,296 [2023 – \$58,863]. The loan has a 10-year term and an interest rate of 3.38% [2023 – 3.38%].

In 2024, OCHC entered into an agreement with CMLS Financial Ltd., to finance the acquisition of the Tanglewood [122 homes] and Chesterton [189 homes] properties in the amount of \$31,387 and \$52,821 respectively. The loans have a 10-year term and at an interest rate of 4.43% [2023 – nil].

In 2024, Macdonald Manor, an unencumbered site in OCHC's equity portfolio was leveraged in order to support its equity contribution towards the development of Mosaïq Phase 2, and to re-invest in capital repairs and the reduction of deferred maintenance across the portfolio. The Corporation borrowed \$21,318 [2023 – nil] from CMLS Financial Ltd., which represents the fair value of the property. The loans have a five-year term and an interest rate of 3.99% [2023 – nil].

## Ottawa Community Housing Corporation

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December 31, 2024

Principal repayments required for the years from 2025 to 2029 and thereafter for the Corporation's outstanding debt are expected to be approximately as follows:

	\$
2025	11,997
2026	12,379
2027	12,847
2028	12,897
2029	13,136
Thereafter	479,538
	<u>542,794</u>

#### 7. Credit facility

The Corporation may avail up to \$5,000 [2023 – \$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 2024, the Corporation had a credit facility in the amount of \$2,132 [2023 – \$516], which was not drawn during the year. These instruments bear interest at the bank's prime rate. The rate charged by a 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. Principal repayment of \$3,500 were made in 2024 [2023 – nil]. 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 avaiement.

In 2024, the Corporation may avail up to \$6,000 with a chartered bank in the form of an operating credit for the purchase of Zibi, of which, \$6,000 [2023 – nil] was drawn during the year. This instrument bears interest at the bank's prime rate. The rate charged by a chartered bank includes a commission of 1.70% per annum and other fees of 0.25% per annum.

#### 8. Contributed surplus

The contributed surplus of \$2,400 includes a balance of \$1,650, representing 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.



## Ottawa Community Housing Corporation

### Notes to financial statements

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#### 9. Reserves

The Corporation has the following reserves:

##### [a] Capital Reserve

The Capital Reserve is used 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.

The contributions from operations amounted to \$17,828 in 2024 [2023 – \$18,156], which included \$55 [2023 – \$352] from the Housing and Homelessness Investment Plan approved by City Council.

In 2024, the Corporation received funding under the following federal and provincial programs, which aim to improve and preserve the quality of social housing through capital renovations and retrofits of the existing portfolio:

- Canada-Ontario Community Housing Initiative – Year 3 [“COCHI3”] – nil [2023 – \$114]
- Canada-Ontario Community Housing Initiative – Year 4 [“COCHI4”] – \$254 [2023 – \$2,399]
- Canada-Ontario Community Housing Initiative – Year 5 [“COCHI5”] – \$2,517 [2023 – \$2,517]
- Canada-Ontario Community Housing Initiative – Year 6 [“COCHI6”] – \$2,886 [2023 – nil]

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

The initial funding under the COCHI3 was provided in 2021. The multi-year retrofits commenced in 2021 and were completed in 2023. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	<b>Funding</b>	<b>Expenditures</b>
	\$	\$
2023	114	465

The first milestone payment under COCHI4 was recognized during 2023. The multi-year retrofits commenced in 2023 and were completed in 2024. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	<b>Funding</b>	<b>Expenditures</b>
	\$	\$
2023	2,399	2,242
2024	254	2,303
	2,653	4,545

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

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The first milestone payment under COCHI5 was recognized during 2023. The multi-year retrofits commenced in 2023 and are expected to be completed in 2025. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	<b>Funding</b>	<b>Expenditures</b>
	\$	\$
2023	2,517	2,318
2024	2,517	3,600
	<u>5,034</u>	<u>5,918</u>

The first milestone payment under COCHI6 was recognized during 2024. The multi-year retrofits commenced in 2024 and are expected to be completed in 2025. The following table shows funding recognized and eligible expenditures incurred for the related projects:

	<b>Funding</b>	<b>Expenditures</b>
	\$	\$
2024	2,886	1,958

In 2024, the Capital Reserve received a transfer of \$8,645 [2023 – \$8,662] from the Equity and Public Housing Operating Reserve Funds to reflect the recognition of government transfers revenue from the CMHC AHF, Capital Repair and Renewal Program.

In 2024, the Capital Reserve received a transfer of nil [2023 – \$13,300] from the Municipal-Non-Profit and Provincial Reformed Portfolio Operating Reserve Funds to reflect the recognition of government transfers revenue from the CMHC AHF, Capital Repair and Renewal Program.

In 2024, the Capital Reserve received \$431 [2023 – \$365] from the Investment in Capital Assets Reserve to recognize annual amortization.

In 2024, \$630 [2023 – \$630] was transferred from the Capital Reserve to the Vehicle Reserve to support purchasing of new vehicles.

#### **[b] Vehicle Reserve**

The Vehicle Reserve is used for the acquisition of new vehicles. In 2024, \$400 [2023 – \$559] was expensed during the year for the purchase of new vehicles. The Vehicle Reserve received \$630 [2023 – \$630] from the Capital Reserve to support vehicle 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.

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

In 2024, the Corporation increased the Investment in Capital Assets Reserve by \$8,529 [2023 – \$12,895 decrease], which reflects an increase of \$171,964 [2023 – \$86,826] due to capitalization of ongoing developments and outgoing transfers of \$163,435 [2023 – \$99,721] due to the following interfund transfers:

- \$431 [2023 – \$365] transferred to the Capital Reserve to recognize annual amortization;
- \$1,728 [2023 – \$1,002] transferred to the CRF to recognize annual amortization; and
- \$161,276 [2023 – \$98,354] transferred to the CRF to reflect receipt of financing for new developments.

#### **[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 2024, nil [2023 – \$86] was transferred from the Green Fund.

In 2024, \$42,624 [2023 – \$15,206] was recognized in the Equity Operating Reserve Fund and then transferred as follows:

- \$1,903 [2023 – \$15,206] transferred to the Capital Reserve to reflect recognition of government transfers revenue from the CMHC AHF, the Capital Repair and Renewal Program, and;
- \$40,721 [2023 – nil] transferred to the Community Reinvestment Fund to reflect the recognition of deferred revenue for buildings completed in 2024.

#### **[e] Public Housing Operating Reserve Fund**

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.

#### **[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 2024, the net interfund transfer to the CRF was an inflow of \$38,828 [2023 – \$12,530], which reflects outgoing transfers of \$171,964 [2023 – \$86,826] to the Investment in Capital Assets Reserve to recognize ongoing developments and incoming transfers of \$210,792 [2023 – \$99,356] due to the following transfers:

- \$1,728 [2023 – \$1,002] transferred from the Investment in Capital Assets Reserve to recognize annual amortization;
- \$7,000 [2023 – nil] transferred from the Stabilization Reserve Fund to support the Tanglewood and Chesterton communities acquisition;
- \$40,788 in transfers from the Operating Fund, mainly to recognize the deferred revenue from completed projects; and

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

- \$161,276 [2023 – \$98,354] transferred from the Investment in Capital Assets Reserve to offset receipt of financing for new developments.

#### **[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 2024, the Corporation received contributions of \$379 [2023 – \$350] from grants, rebates and photovoltaic electricity sales to support green initiatives.

#### **[h] Stabilization Reserve Fund**

The Stabilization Reserve Fund was set up in 2020 to mitigate the economic impacts associated with future emergency pressures.

In 2024, \$7,000 [2023 – nil] was transferred into the Community Reinvestment Fund to support the Tanglewood and Chesterton communities acquisition.

In 2024, a net amount of nil was contributed to [2023 – \$1,527] the Public Operating Reserve Fund to help to mitigate economic pressures.

### **10. 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 2024 was \$4,064 [2023 – \$3,730] for current services and is included as an expense in the current fiscal year. These contributions were matched with identical employee contributions for both years.

# Ottawa Community Housing Corporation

## Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

### 11. Employee future benefits

Employee future benefits obligation consists of a defined benefit plan relating to post-retirement benefits, which 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 2024 is as follows:

	2024 \$	2023 \$
<b>Balance, beginning of year</b>	<b>3,309</b>	3,306
Service cost	<b>70</b>	83
Interest cost	<b>72</b>	108
Amortization of actuarial gain	<b>(133)</b>	(92)
Benefits paid	<b>(95)</b>	(96)
<b>Balance, end of year</b>	<b>3,223</b>	3,309

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 several 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.

An actuarial valuation is conducted triennially. The obligation reported in these financial statements are based on a valuation as at June 30, 2023.

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 2023, amortization began with a 2022 gain of \$442. Amortization for a 2023 gain of \$638 commenced in 2024. Unamortized actuarial gains as at December 31, 2024 total \$1,649 [2023 – \$1,767].

Several 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:

	2024	2023
Discount rate	<b>4.7%</b>	4.6%
Health care inflation rate	<b>7.0% grading linearly to 4.0% in 2040</b>	7.0% grading linearly to 4.0% in 2040

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

#### 12. WSIB

The Corporation is a Schedule 2 Employer under the *Workplace Safety and Insurance Act (Ontario)* 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 2024 is as follows:

	2024 \$	2023 \$
<b>Balance, beginning of year</b>	<b>4,526</b>	4,084
Service cost	<b>399</b>	683
Interest cost	<b>198</b>	140
Amortization of actuarial loss	<b>7</b>	151
Benefits paid	<b>(515)</b>	(532)
<b>Balance, end of year</b>	<b>4,615</b>	4,526
Less current portion of WSIB benefits costs	<b>535</b>	515
	<b>4,080</b>	4,011

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.

An actuarial valuation is conducted triennially. The obligation reported in these financial statements are based on a valuation as at December 31, 2023.

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. Unamortized actuarial gains as at December 31, 2024 total \$151 [2023 – \$72].

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

	2024 %	2023 %
Discount rate	<b>4.50</b>	4.50
Loss of earnings	<b>1.75</b>	1.75
Health care benefits	<b>0.50</b>	0.50
Fully indexed survivor benefits	<b>2.50</b>	2.50
Non-economic loss awards	<b>2.50</b>	2.50

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

#### 13. Asset retirement obligation

The Corporation has recognized liabilities for legal obligations to incur costs associated with the retirement of tangible capital assets arising on their acquisition, construction or development or through their normal use.

Following an internal assessment, the Corporation concluded that it is appropriate to recognize an asset retirement obligation relating to future asbestos abatement costs in the Corporation's Equity Program, which management has determined to be 100 years after the building's initial construction. The undiscounted value of the asset retirement obligation was calculated using an asbestos abatement cost per square foot model with both internal and external inputs. The Corporation did not use a present value technique to measure the asset retirement obligation.

A reconciliation of the beginning and ending aggregate carrying amount of the asset retirement obligation is as follows:

	2024 \$	2023 \$
Balance, beginning of year	7,925	7,504
Changes in estimated cashflows	—	421
Liability incurred	2,251	—
Balance, end of year	10,176	7,925

#### 14. 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, 2024 is indeterminable, 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.

#### 15. Commitments

The Corporation has contractual commitments on capital projects as at December 31, 2024 in the amount of \$251,395 [2023 – \$166,478].

#### 16. Related party transactions

The Corporation transacts with its sole shareholder, the City of Ottawa, and its subsidiaries, who also act 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 their exchange value, which approximates cost.

## Ottawa Community Housing Corporation

### Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2024

#### Revenue and accounts payable/receivable

Total Service Manager revenue amounted to \$60,938 [2023 – \$59,939], with a balance of subsidies payable of \$5,774 as at December 31, 2024 [2023 – \$6,553].

The amount receivable from the City of Ottawa for capital and other grants amounted to \$5,437 [2023 – \$5,419].

#### Expenses and accounts payable

The following expenses are included in the statement of operations and surplus:

	2024 \$	2023 \$
Municipal taxes	1,913	1,336
Electricity charges	8,731	8,619
Water and sewage costs	14,540	13,274

Included within accounts payable and accrued liabilities on the balance sheet as at December 31, 2024 is a balance payable of \$3,276 [2023 – \$2,600].

#### 17. Capital management and business risks

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, 2024, the Corporation has met its objective of having sufficient liquidity to meet its current obligations.

#### Access to capital

The real estate industry is highly capital intensive. The Corporation requires continued access to capital to fund its capital expenditures and development strategy. There can be no assurance that the Corporation will have access to sufficient capital or access to capital on terms favourable to the Corporation for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. Failure by the Corporation to access required capital could have a material adverse effect on the Corporation's business, cash flows and financial condition.

#### Cybersecurity, privacy and data risk

The Corporation may be vulnerable to privacy and cybersecurity incidents given its reliance on processing personal and business confidential information using IT systems, as well as the increasing use of artificial intelligence in the workplace. Additionally, OCHC's hybrid working policy may elevate cybersecurity risk related to processing such personal and business confidential information. Additionally, the Corporation depends on relevant and reliable information to operate its business. As the volume of data being generated and reported continues to increase, data accuracy, quality and governance may be increasingly relevant to prompt and support effective decision-



## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

making. Failure by the Corporation to gather, analyze, validate and leverage data in a timely manner may adversely affect its decision-making and ability to execute its strategy, which may impact its financial performance.

#### **Climate-related risk**

The Corporation's housing portfolio may be impacted by both physical climate-related events and the transition to a lower carbon economy. Depending on the severity, these events could cause significant damage to the Corporation's properties, interrupt normal operations and threaten the safety of tenants. Climate-related events may also negatively impact certain costs of operation of the Corporation's properties, including the costs of utility consumption due to abnormally hot or cold temperatures and the cost of snow removal. More generally, the increase in catastrophic losses worldwide from climate-related events has resulted in significant payouts by property insurers. This has resulted in a significant increase in property insurance premiums payable by the Corporation.

#### **18. Other advances**

During the 2022 fiscal year, OCHC entered into an agreement to acquire 19 apartments located on two floors within Block 206 of a 25-storey high-rise in the Zibi development. In 2024, additional deposits of \$441 [2023 – \$3,603] were made to the vendor to secure the purchase of these units. In 2024, the OCHC took possession of the Zibi development, and advances totalling \$5,835 were transferred to the seller upon closing.

In 2024, OCHC paid deposits totalling \$563 [2023 – \$462] on the purchase of Tanglewood and Chesterton. In 2024, OCHC took possession of the Tanglewood and Chesterton communities, and advances totalling \$1,025 were transferred to the seller upon closing.

#### **19. 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.

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, 2024, the Corporation has no holdings in equities or bonds.

##### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

## **Ottawa Community Housing Corporation**

### **Notes to financial statements**

[in thousands of Canadian dollars]

December 31, 2024

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.

#### **Liquidity risk**

Liquidity risk is the risk that a government will encounter difficulty in meeting obligations associated with financial instrument liabilities.

The Corporation manages liquidity risk through weekly cash flow forecasting. Additionally, management monitors projected spending monthly and any unfavourable variances compared to the annual budget are actioned to ensure sufficient cash and borrowing facilities are available to meet its debt obligations and commitments.

#### **20. Comparative information**

Certain comparative figures of the prior year's financial statements have been reclassified to enhance comparability and conform with the current year's presentation of the financial statements.

## Schedule of mortgages, debentures and loans

[in thousands of Canadian dollars]

Institution	Program and property	Maturity date	Renewal date if different from maturity	Interest rate %	Principal 12/31/2023 \$	Mortgage renewal issued in 2024 \$	Repayments 2024		Yearly payment \$	Principal 12/31/2024 \$
							Interest \$	Principal \$		
Bank of Montreal										
Provincial Reformed										
	Hintonburg Place	2028/03/01		6.011%	2,131	—	112	456	568	1,675
Equity General										
	Head Office	2025/01/08		Prime + 1%	2,081	—	82	57	139	2,024
	Carson Road	2041/01/01	2026/01/01	3.800%	2,332	—	86	100	186	2,232
	Arlington	2044/01/01	2029/01/01	3.910%	3,006	—	115	101	216	2,905
	Gladstone Village	N/A		Prime +.25%	3,500	—	223	3,500	3,723	—
Total Bank of Montreal					13,050	—	618	4,214	4,832	8,836
Canada Mortgage and Housing Corporation										
Equity										
	811 Gladstone Ave	2073/09/01	2031/06/01	1.770%	25,848	—	453	327	780	25,521
	818 Gladstone Ave	2075/12/31	2035/01/01	3.350%	—	6,463	—	—	—	6,463
	715 Mikinak Road	2072/06/02	2032/07/01	3.380%	59,371	6,296	2,068	45	2,113	65,622
Various Projects										
	Equity & Public	2062/01/01	2032/01/01	1.700%	4,935	—	83	93	176	4,842
	Equity & Public	2063/09/01	2032/06/01	3.300%	19,172	—	625	238	863	18,934
	Equity & Public	2063/08/31	2033/09/01	3.590%	4,486	1,217	186	43	229	5,660
	Equity & Public	2064/03/31	2034/04/01	3.480%	—	11,749	106	—	106	11,749
Total Canada Mortgage and Housing Corporation					113,812	25,725	3,521	746	4,267	138,791
Canadian Mortgage Loan Services Limited										
Equity										
	Bowhill-Chesterton	2069/12/01	2034/12/01	4.430%	—	52,821	1,190	189	1,379	52,632
	Tanglewood Townhouse	2069/12/01	2034/12/01	4.430%	—	31,387	707	88	795	31,299
	MacDonald Manor	2074/12/01	2029/12/01	3.990%	—	21,318	9	—	9	21,318
Total Canadian Mortgage Loan Services Limited					—	105,526	1,906	277	2,183	105,249

## Schedule of mortgages, debentures and loans

[in thousands of Canadian dollars]

Institution	Program and property	Maturity date	Interest rate	Principal 12/31/2023	Mortgage renewal issued in 2024	Repayments 2024		Principal 12/31/2024
						Interest	Principal	
			%	\$	\$	\$	\$	\$
<b>Scotia Mortgage and Line of Credit</b>								
<b>Equity</b>								
	Bowhill-Chesterton	2025/02/14	CORRA + 1.2%	—	53,800	961	53,800	54,761
	Gladstone Village	N/A	CORRA + 1%	—	16,700	267	16,700	16,967
	Tanglewood Townhouse	2025/02/14	CORRA + 1.2%	—	32,200	565	32,200	32,765
	Zibi	2049/06/01	2027/06/01	Floating+1.70%	6,000	236	140	376
<b>Provincial Reformed</b>								
	Marion Dewar Place	2024/05/01	5.830%	4,305	—	102	4,305	4,407
<b>Community Sponsored</b>								
	Carson/Paul; Riddell; Edgeworth 460; Tweedsmuir; Beausejour 2; Ashgrove	2027/06/01	Floating+1.10%	4,816	—	108	506	614
<b>Total Scotia Mortgage and Line of Credit</b>				9,121	108,700	2,239	107,651	109,890
								10,170

## Schedule of mortgages, debentures and loans

[in thousands of Canadian dollars]

Institution	Program and property	Maturity date	Interest rate	Principal 12/31/2023	Mortgage renewal issued in 2024	Repayments 2024		Principal 12/31/2024
						Interest	Principal	
			%	\$	\$	\$	\$	\$
<b>Toronto-Dominion Bank</b>								
	<b>Equity General</b>							
	380 Somerset St	2026/04/01	2.700%	2,701	—	71	124	2,577
	<b>Provincial Reformed</b>							
	McAuley Place	2024/06/01	6.100%	3,474	—	101	3,474	—
	Scotthill	2024/12/01	6.752%	2,634	—	157	2,634	—
<b>Total Toronto-Dominion Bank</b>				8,809	—	329	6,232	2,577
<b>Grand total all mortgages</b>				144,792	239,951	8,613	119,120	265,623

Schedule of mortgages, debentures and loans  
[in thousands of Canadian dollars]

Debentures	Maturity date	Interest rate	Principal 12/31/2023	Repayments 2024			Principal 12/31/2024
				Interest	Principal	Yearly payment	
		%	\$	\$	\$	\$	\$
Debentures – Public Program							
Various Projects	2024/01/01 to 2026/01/01	6.09%	762	47	660	707	102
Total debentures – Public Program			762	47	660	707	102

## Schedule of debentures – Infrastructure Ontario

[in thousands of Canadian dollars]

Institution	Program and property	Maturity date	Interest rate %	Principal 12/31/2023 \$	Mortgage renewal issued in 2024 \$	Repayments 2024		Yearly payment \$	Principal 12/31/2024 \$
						Interest \$	Principal \$		
Infrastructure Ontario									
Various Projects	2040/08/16	4.960%	13,581	—	662	538	1,200	13,043	
Equity General									
312 Cumberland	2036/06/01	4.710%	2,957	—	135	178	313	2,779	
Richelieu Court	2036/07/15	4.600%	836	—	37	50	87	786	
Ron Kolbus Place	2043/12/16	4.540%	3,528	—	158	111	269	3,417	
Den Haag	2045/07/02	3.680%	5,837	—	212	181	393	5,656	
3225 Uplands Drive	2050/03/02	2.710%	1,829	—	49	48	97	1,781	
1290 Coldrey Avenue	2050/11/17	2.730%	3,537	—	95	90	185	3,447	
Tranche 1-2012									
Lebreton1; Fairlea Court; Rockingham; Hasenack Place; Lebreton 55-65; Blohm Court	2042/07/03	3.930%	19,354	—	748	722	1,470	18,632	
Tranche 2-2012									
Allard Place, Strathcona: Sentier	2042/12/03	3.870%	7,166	—	273	261	534	6,905	
Tranche 1-2013									
Strathcona: Renovations 1 Gilmour May Nickson Place	2043/08/02	4.340%	9,226	—	394	304	698	8,922	
Tranche 2-2013									
Bruyère & Bélanger Manor Eva Taylor Strathcona: Nancy Smith Orchard Grove Revell Court	2043/12/02	4.530%	13,065	—	583	411	994	12,654	
Tranche-2014									
Strathcona: Wiggins, 206-296 Silver Heights	2044/11/03	3.810%	7,539	—	283	240	523	7,299	
Tranche-2015									
Thorncliffe Court; Spadina Place; Nepean Place	2045/10/15	3.790%	10,025	—	375	301	676	9,724	

## Schedule of debentures – Infrastructure Ontario

[in thousands of Canadian dollars]

Institution	Program and property	Maturity date	Interest rate %	Principal 12/31/2023 \$	Mortgage renewal issued in 2024 \$	Repayments 2024		Principal 12/31/2024 \$
						Interest \$	Principal \$	Yearly payment \$
<b>Tranche 1-2016</b>								
212 Bronson Avenue; 1433 Mayview; 507 Riverdale	2046/05/02	3.610%	8,303	—	296	245	541	8,058
<b>Tranche 2-2016</b>								
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%	32,405	—	1,045	981	2,026	31,424
<b>Tranche 1-2017</b>								
Loretta/Young; Shearwater Court; Karsh Court; McCartin Place; Strathcona: Wiggins 310, 320 and 430	2047/06/01	3.450%	26,590	—	906	747	1,653	25,843
<b>Tranche 2-2017</b>								
Lebreton 3; St. Peter's Court; Hunt Club	2047/11/01	3.740%	12,650	—	467	334	801	12,316
<b>Tranche 2018</b>								
Woodland Place; Winthrop Court; Strathcona: Renovations 2	2048/09/04	3.750%	8,058	—	299	201	500	7,857
<b>Tranche 2019</b>								
Tapiola Court; Woodland Place; Lavigne Court; Brian Courns Place	2049/09/03	2.950%	19,571	—	570	515	1,085	19,056
<b>Tranche 2020</b>								
Cumberland/George; Beausejour 4	2050/03/02	2.710%	5,468	—	146	145	291	5,323
<b>Tranche 2021</b>								
Haley Court; Christie Place; Cameron Court; Esson Place	2051/06/24	2.920%	21,430	—	619	516	1,135	20,914
<b>Tranche 2023</b>								
Lady Stanley Place; Vachon Place	2053/12/15	4.600%	13,481	—	616	214	830	13,267
<b>Tranche 1-2024</b>								
McAuley Place; Marion Dewar Place	2054/07/15	4.770%	—	25,296	501	160	661	25,136



Schedule of debentures – Infrastructure Ontario  
[in thousands of Canadian dollars]

Institution			Interest rate	Principal 12/31/2023	Mortgage renewal issued in 2024	Repayments 2024		Principal 12/31/2024
						Interest	Principal	
	Program and property	Maturity date	%	\$	\$	\$	\$	\$
	Tranche 2-2024 Scotthill	2054/12/02	4.500%	—	12,830	—	—	12,830
Infrastructure Ontario				246,436	38,126	9,469	7,493	277,069

Internal loans  
[in thousands of Canadian dollars]

As at December 31, 2024

Internal Borrowing	Program and property	Maturity date	Interest rate	Principal 12/31/2023	Mortgage renewal		Repayments 2024			Principal Dec 31/2024
					Issued in 2024	Discharged in 2024	Interest	Principal	Yearly payment	
			%	\$	\$	\$	\$	\$	\$	\$
Provincial Reformed										
	Marion Dewar Place	2024/05/01	5.830%	—	75	—	40	75	115	—
	McAuley Place	2024/06/01	6.100%	—	59	—	15	59	74	—
	Scotthill	2024/12/01	6.752%	—	54	—	—	54	54	—
Grand Total to all internal loans				—	188	—	55	188	243	—