

Ottawa Community Housing Corporation

Financial statements
December 31, 2020



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, 2020, and the statement of operations and surplus, statement of reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the *Housing Services Act* and the guidance in its application by the City of Ottawa as Service Manager as at December 31, 2020.

Basis for opinion

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

Emphasis of matter – basis of accounting and restriction on use

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

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

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

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

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

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



Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Ernst & Young LLP

Ottawa, Canada
May 13, 2021

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

	2020	2019
	\$	\$
Assets		
Current		
Cash and cash equivalents	70,992	76,092
Rent receivable	2,356	2,397
Other accounts receivable	1,372	2,948
HST receivable	3,237	1,914
Prepaid expenses	3,740	3,597
Total current assets	81,697	86,948
Capital assets, net <i>[note 3]</i>	342,394	332,499
	424,091	419,447
Liabilities and net assets		
Current		
Subsidies payable – City of Ottawa [Service Manager] <i>[note 14]</i>	841	3,419
Accounts payable and accrued liabilities <i>[note 14]</i>	29,250	25,359
Accrued interest on long-term debt	793	808
Prepaid rents	2,995	2,501
WSIB benefits costs – current <i>[note 11]</i>	467	319
Current portion of long-term debt <i>[note 5]</i>	12,560	13,626
Total current liabilities	46,906	46,032
Employee benefits costs <i>[note 10]</i>	4,661	4,278
WSIB benefits costs – future <i>[note 11]</i>	2,742	2,738
Forgivable loans <i>[note 4]</i>	30,269	26,816
Long-term debt <i>[note 5]</i>	266,482	268,480
Total liabilities	351,060	348,344
Contingent liabilities and commitments <i>[notes 12 and 13]</i>		
Net assets		
Contributed surplus <i>[note 7]</i>	2,400	2,400
Reserves <i>[note 8]</i>	70,631	68,703
Total net assets	73,031	71,103
	424,091	419,447

See accompanying notes

On behalf of the Board:



Mathieu Fleury, Chair

Director



Brendan Lawlor, CPA, CMA

Director

Ottawa Community Housing Corporation

Statement of operations and surplus

[in thousands of Canadian dollars]

Year ended December 31

	2020	2019
	\$	\$
Revenue		
Rents	73,324	72,834
Subsidies <i>[note 14]</i>		
Service manager	56,624	55,894
Service manager – safer communities	2,634	2,573
Other revenue	5,065	4,814
	<u>137,647</u>	<u>136,115</u>
Operating costs		
Utilities	23,811	23,711
Building operations	24,486	22,897
Staffing costs	37,755	35,549
Administration and other	5,669	5,621
	<u>91,721</u>	<u>87,778</u>
Fixed costs		
Municipal taxes <i>[note 14]</i>	1,467	1,257
Interest on long-term debt	11,112	11,383
Depreciation of capital assets	14,619	16,594
	<u>27,198</u>	<u>29,234</u>
	<u>118,919</u>	<u>117,012</u>
Net revenue before reserve contribution for the year	18,728	19,103
Contributions to reserves	(18,728)	(19,103)
Net surplus for the year	<u>—</u>	<u>—</u>

See accompanying notes

Ottawa Community Housing Corporation

Statement of reserves

[in thousands of Canadian dollars]

Year ended December 31

	Capital Reserves	Vehicle	Investment in Capital Assets [Equity Program]	COVID19 Reserve Fund	Equity Operating Reserve Fund	Public Housing Operating Reserve Fund	Community Reinvestment Fund	Green Fund	Total 2020	Total 2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of year	34,468	510	20,925	—	916	2,573	3,769	5,542	68,703	73,079
Contributions from operations	16,140	—	—	2,588	—	—	—	—	18,728	19,103
Other contributions	9,248	—	—	—	—	—	1,892	828	11,968	5,219
Realized value from Infrastructure Ontario financing <i>[note 3]</i>	4,984	—	—	—	—	—	—	—	4,984	18,936
Interest income	573	8	—	—	15	42	128	91	857	1,645
Realized gains	—	—	—	—	—	—	13,349	—	13,349	382
Expenses	(45,042)	(496)	—	—	—	—	(1,362)	(1,058)	(47,958)	(50,326)
Interfund transfers and internal loans	(48)	536	9,532	57	(57)	—	(10,020)	—	—	665
Balance, end of year	20,323	558	30,457	2,645	874	2,615	7,756	5,403	70,631	68,703

See accompanying notes

Ottawa Community Housing Corporation

Statement of cash flows

[in thousands of Canadian dollars]

Year ended December 31

	2020	2019
	\$	\$
Operating activities		
Net revenue before reserve contribution for the year	18,728	19,103
Add item not affecting cash		
Depreciation of capital assets	14,619	16,594
Changes in non-cash working capital balances related to operations		
Rent receivable and other accounts receivable	1,617	(498)
HST receivable and prepaid expenses	(1,466)	691
Subsidies payable – City of Ottawa [Service Manager]	(2,578)	1,639
Accounts payable and accrued liabilities	3,891	4,636
Accrued interest on long-term debt	(15)	—
Prepaid rents	494	466
Employee benefits costs	383	(57)
WSIB benefits costs	152	147
Cash provided by operating activities	35,825	42,721
Investing activities		
Interest earned on reserves balance	857	1,645
Cash provided by investing activities	857	1,645
Financing activities		
Mortgages, loans and debentures additions	10,744	19,406
Mortgages, loans and debentures repayments	(13,808)	(15,715)
Forgivable loans additions	3,453	—
Change in non-cash financing balances		
Forgivable loans	—	—
Cash provided by financing activities	389	3,691
Capital activities		
Other contributions made to reserves	25,317	5,601
Acquisition of capital assets	(19,530)	(6,107)
Capital expense charged to reserves	(47,958)	(50,326)
Cash used in capital activities	(42,171)	(50,832)
Net decrease in cash during the year	(5,100)	(2,775)
Cash and cash equivalents, beginning of year	76,092	78,867
Cash and cash equivalents, end of year	70,992	76,092
Supplemental cash flow disclosure		
Cash paid for interest	11,112	11,383

See accompanying notes

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

1. Organization

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

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

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

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

2. Summary of significant accounting policies

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

- [a] Capital repairs and replacement, including the acquisition of office furniture and equipment, are charged directly to the Capital Reserve in the statement of reserves [rather than being capitalized on the balance sheet and depreciated over their useful lives].
- [b] Capital assets governed by the reporting requirements of the HSA and of the City of Ottawa are recorded at the net value of the outstanding debt corresponding to those assets.
- [c] When outstanding debt corresponding to assets governed by the reporting requirements of the HSA and of the City of Ottawa is refinanced at an amount greater than the outstanding debt, the difference is recorded as an increase to capital assets and the Capital Assets Reserve.
- [d] Depreciation of capital assets [including land] governed by the reporting requirements of the HSA and of the City of Ottawa is provided on the same basis as the principal repayments on the corresponding debt during the year.
- [e] Interest income, realized and unrealized gains and losses, and any impairment related to marketable securities are recorded directly to the statement of reserves rather than being recorded in the statement of operations and surplus.
- [f] Forgivable loans are non-interest bearing and are advanced with repayment not to be expected unless certain conditions are met. These loans are recognized into revenue at the end of their term.
- [g] Grants for capital purposes [repairs or new developments] are recognized as revenue in the Capital Reserve when received.

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

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

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

Functional currency

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

Use of estimates

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

Revenue recognition

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

Financial instruments

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

Cash and cash equivalents

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

Capital assets and depreciation

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

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

Reserves

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

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

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

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

Employee future benefits and pension agreements

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

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

3. Capital assets

Capital assets consist of the following:

	2020	2019
	\$	\$
Land	82,283	82,341
Prepaid land leases	1,104	1,104
Buildings and equipment	599,370	575,548
	682,757	658,993
Less accumulated depreciation	340,363	326,494
Net book value	342,394	332,499

In 2020, two properties with a net book value of \$5,978 were refinanced with Infrastructure Ontario ["IO"]. The loan agreement with IO required a market evaluation and Environmental Site Assessment for each property. As a result, the Corporation borrowed \$5,978 from IO, which represents the fair value of the two properties. The Corporation used \$994 to repay the outstanding mortgages, the remaining balance of \$4,984 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, 2020

Capital assets additions

933 Gladstone Avenue

In 2017, the Board of Directors approved the purchase of seven acres of vacant land at 933 Gladstone Avenue for future development. The land was acquired on May 11, 2017 at a cost of \$7,140 and funded 50% through a line of credit and the remaining 50% funded by the Corporation through the Community Reinvestment Fund ["CRF"]. In 2020, \$57 of design and architecture costs were capitalized [2019 – \$129].

Overbrook

In 2017, the Board of Directors approved renovation of two existing and development of two new units located at 208-210 Prince Albert Street. The project started in 2020 and is expected to be completed in 2021 at a total cost of \$850. In 2020, the total construction costs of \$21 [2019 – nil] were financed from the CRF and capitalized.

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

Phase 1

In 2017, the Board of Directors approved the demolition of 26 existing end-of-lifecycle townhouses from the Rochester Heights community to replace them with development of 108 new affordable housing apartments within a six-storey building and 32 affordable stacked townhomes. The construction commenced in fall 2019 and is expected to be completed in 2021 at a total approximate cost of \$48,500. The Corporation has secured the City of Ottawa funding of \$20,435 provided under the Investment in Affordable Housing [\$12,611], Social Infrastructure Fund [\$5,694], and Action Ottawa contributions [\$2,130] to be received over the construction period. The remaining construction costs will be financed from the CRF and mortgage financing. In 2020, the Corporation incurred \$17,546 [2019 – \$2,992] in design and construction costs, which were funded by the CRF and capitalized.

Phase 2

The Rochester Phase 2 project involves the demolition of 78 townhomes and the full redevelopment of the 4.2-acre site to align with the City of Ottawa's objectives of mixed-use and heightened density, with affordable housing, in close proximity to rapid transit [Gladstone LRT station]. The development will commence in 2021. The multi-year project will cost over \$61,000 and anticipated to be funded from various sources, including mortgage financing and the Corporation's equity contribution. In 2020, the Corporation incurred \$834 [2019 – \$521] in design and architecture costs, which were funded by the CRF and capitalized.

715 Mikinak Phase 1

The concept plan for the development of 715 Mikinak Road includes a total of 271 units, of which 229 would be included in the first phase. In 2019, the Board of Directors approved Phase 1 of the project at an estimated cost of \$50,000. Architectural and design services commenced in 2020. Construction is expected to commence in 2021 and be completed in 2023. In 2020, architectural and design costs of \$865 [2019 – nil] were financed from the CRF and capitalized.

Den Haag

In 2020, amendment to the existing Contributing Agreement to the Investment in Affordable Housing Program was made for total amount of \$162. As a result, the building value increased by corresponding amount. In 2020 the building value was \$16,229 [2019 – \$16,067].

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

Disposition of properties

As of November 30, 2015, the Board of Directors has adopted a comprehensive approach to portfolio management that includes new development and divestiture of select stock. In 2020, the Corporation sold 48 units [2019 – one unit]. The proceeds from the sale of these units amounted to \$13,349 [2019 – \$382] and were allocated to the CRF to support future development.

4. Forgivable loans

Forgivable loans consist of the following:

	2020	2019
	\$	\$
Canada-Ontario AHP [380 Somerset]	1,740	1,740
Canada-Ontario AHP [245 Crichton]	720	720
Canada-Ontario AHP [140 Den Haag Drive]	11,018	10,856
Canada-Ontario AHP [3225 Uplands Drive]	2,247	2,160
Canada-Ontario AHP [1290 Coldrey Avenue]	4,600	4,140
Canada-Ontario AHP [811 Gladstone Avenue]	2,744	—
Housing and Poverty Reduction Investment Plan [714 Carson]	4,000	4,000
Housing and Homelessness Investment Plan [Old St. Patrick]	1,200	1,200
2014 and Capital Grant [2926 Michele Drive]	800	800
Dover Court Recreation Center [2 Van Lang Private]	1,200	1,200
	30,269	26,816

Canada-Ontario Affordable Housing Program [“AHP”]

The AHP loans are not repayable as long as the project is operated within the terms and conditions of the agreement entered into with the Ministry of Municipal Affairs and Housing. If the agreements are breached, the full value of the loans may be repayable prior to the maturity date. As at December 31, 2020, the Corporation is in compliance with the terms and conditions of these agreements.

Uplands Drive

In 2017, the City of Ottawa approved a forgivable loan of up to \$2,400 towards the development of 3225 Uplands Drive, of which the final \$87 was received in 2020 [2019 – nil]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending on January 24, 2052.

1290 Coldrey Avenue [formerly 900 Merivale Road]

In 2015, the City of Ottawa approved a forgivable loan of \$4,600 towards the development of the CCHC, of which the final \$460 was received in 2020 [2019 – nil]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending on January 1, 2054.

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

Den Haag

In 2020, amendment to the existing Contributing Agreement to the Investment in Affordable Housing Program was made. As a result, the forgivable loan value increased in 2020 by \$162.

811 Gladstone Avenue

In 2018, the City of Ottawa approved a forgivable loan of \$18,305 towards the development of 811 Gladstone, of which \$2,743 was received in 2020 [2019 – nil]. The loan is not repayable as long as the project is operated within the terms and conditions entered into with the City of Ottawa. If the agreement is breached, the full value of the loan may be repayable at any time during the 35-year term ending 35 years from date of occupancy. Occupancy is expected to commence in 2021.

Housing and Poverty Reduction Investment Plan

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

Housing and Homelessness Investment Plan

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

5. Long-term debt

	2020	2019
	\$	\$
Mortgages	34,196	39,059
Debentures – Public Program	5,189	9,155
Debentures – Infrastructure Ontario	229,906	223,691
Line of credit	9,751	10,201
	279,042	282,106
Less current portion of long-term debt	12,560	13,626
Long-term debt	266,482	268,480

In 2020, the Corporation, working with IO, the City of Ottawa and the Ministry of Housing, refinanced 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 two 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 \$5,978 for long-term financing. The note is repayable over 30 years at an interest rate of 2.71%, compounded monthly.

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

In 2020, the Corporation bridge-financed Cumberland/George for two months in the amount of \$1,029 from the Capital Fund at an interest rate of 3.390% [consistent with the previous lender interest rate]. This internal loan is part of the 2020 IO refinancing and has been transferred to IO, and as at December 31, 2020, a principal balance of nil [2019 – nil] was outstanding.

In 2020, the Corporation secured a debenture of \$2,000,000 with Infrastructure Ontario for the property referred to as 3225 Uplands Drive. The debenture is repayable over 30 years at an interest rate of 2.71%, compounded monthly.

In 2020, the Corporation secured a debenture of \$3,800,000 with Infrastructure Ontario for the property referred to as 1290 Coldrey Avenue. The debenture is repayable over 30 years at an interest rate of 2.73%, compounded monthly.

Principal repayments required for the years from 2021 to 2025 and thereafter for the Corporation's outstanding debt are expected to be approximately as follows:

	\$
2021	12,560
2022	11,413
2023	11,088
2024	11,206
2025	11,173
Thereafter	221,602
	<u>279,042</u>

6. Credit facility

The Corporation may avail up to \$2,000 with a chartered bank in the form of an operating credit line and/or standby letters of credit and/or letters of guarantee. In 2020, the Corporation had \$130 [2019 – \$130] outstanding letters of credit. These instruments bear interest at the bank's prime rate. The chartered bank includes a commission of 2.00% per annum and other fees of 0.25% per annum.

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

7. Contributed surplus

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

Ottawa Community Housing Corporation

Notes to financial statements

[in thousands of Canadian dollars]

December 31, 2020

8. Reserves

The Corporation has the following reserves:

[a] Capital Reserve

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

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

The contributions from operations amounted to \$16,140 in 2020 [2019 – \$18,524], which included \$195 [2019 – \$732] from the Housing and Homelessness Investment Plan approved by City Council.

In 2020, the Corporation received funding under the following federal and provincial programs, which aims to improve and preserve the quality of social housing through capital renovations and retrofits of the existing portfolio:

- The Social Housing Apartment Improvement Program [“SHAIP”] – \$5,547 [2019 – \$4,280]
- Canada-Ontario Community Housing Initiative - Year 1 [“COCHI1”] – \$2,095 [2019 – nil]
- Canada-Ontario Community Housing Initiative - Year 2 [“COCHI2”] – \$1,615 [2019 – nil]

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

The funding under the SHAIP was provided during 2018–2020. The multi-year retrofits were completed in 2020. During 2018–2020, the Corporation received \$19,641 in funding and expensed \$20,280 for the related projects.

	Funding \$	Expenditures \$
2018	9,814	3,119
2019	4,280	12,042
2020	5,547	5,119
	19,641	20,280

The initial funding under the COCHI1 was provided in 2020. The multi-year retrofits commenced in 2019 are expected to be completed in 2021. The following table shows funding received and expenditures incurred for the related projects:

	Funding \$	Expenditures \$
2019	—	729
2020	2,095	1,288
	2,095	2,017

Ottawa Community Housing Corporation

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[in thousands of Canadian dollars]

December 31, 2020

The first milestone payment under COCHI2 was provided during 2020. The multi-year retrofits commenced in 2020 are expected to be completed in 2022. During 2020, the Corporation received \$1,615 in funding and expensed \$397 for the related projects.

In 2020, the Capital Reserve received \$488 [2019 – \$538] from the Investment in Capital Assets Reserve to recognize annual amortization.

In 2020, \$536 [2019 – \$553] was transferred from the Capital Reserve to the Vehicle Reserve to support purchasing of new vehicles.

In 2020, the Corporation bridge-financed Cumberland/George for two months in the amount of \$1,029 from the Capital Fund. This liability is being repaid at an interest rate of 3.39% [consistent with previous lender interest rate]. In 2020, the Corporation recorded \$6 [2019 – \$nil] in interest expense and \$40 [2019 – nil] in principal repayments. In March 2020, the Corporation received IO refinancing and the internal loan was fully repaid back to the Capital Reserve.

[b] Vehicle Reserve

The Vehicle Reserve is used for the acquisition of new vehicles, and \$496 [2019 – \$123] was expensed during the year for the purchase of new vehicles. The Vehicle Reserve received \$536 [2019 – \$553] from the Capital Reserve to support vehicles renewal planning.

[c] Investment in Capital Assets Reserve

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

In 2020, the Corporation increased the Investment in Capital Assets Reserve by \$9,532 [2019 – \$5,421], which reflects an increase of \$19,369 [2019 – \$6,107] due to capitalization of ongoing developments and a transfer of \$9,837 [2019 – \$686] due to the following interfund transfers:

- \$488 [2019 – \$538] transferred to the Capital Reserve to recognize annual amortization;
- \$258 [2019 – \$148] transferred to the CRF to recognize annual amortization;
- \$3,291 [2019 – nil] transferred to the CRF to reflect receipt of forgivable loans; and
- \$5,800 [2019 – nil] transferred to the CRF to reflect receipt of mortgage financing.

[d] Equity Operating Reserve Fund

The Equity Operating Reserve Fund is a discretionary reserve that was identified in 2018 as a replacement of the Federal Operating Surplus, which was discontinued in 2018 with the consent of the City of Ottawa. In 2020, this reserve generated a surplus of nil [2019 – \$579]. In 2020, nil [2019 – \$470] was transferred to the CRF to support new developments, and \$57 [2019 – nil] was transferred to the COVID-19 Reserve Fund to mitigate impact of future expenses associated with the pandemic.

[e] Public Housing Operating Reserve

Effective January 1, 2009, the Corporation has an operating agreement with the City of Ottawa. The subsidy funding for the Public Program follows a formula similar to the Provincial Reformed Program and allows for

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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 2020, the gross proceeds from the sales amounted to \$13,349 [2019 – \$382] and were contributed to the CRF.

In 2020, the net interfund transfer from the CRF was \$10,020 [2019 – \$5,489], which reflects a transfer of \$19,369 [2019 – \$6,106] to the Investment in Capital Assets Reserve to recognize ongoing developments and an increase of \$9,349 [2019 – \$618] due to the following transfers:

- \$258 [2019 – \$148] transferred from the Investment in Capital Assets Reserve to recognize annual amortization;
- Nil [2019 – \$470] transferred from the Reserve Fund to support ongoing development activities;
- \$3,291 [2019 – nil] transferred from the Investment in Capital Assets Reserve to reflect receipt of forgivable loans; and
- \$5,800 [2019 – nil] transferred from the Investment in Capital Assets Reserve to reflect receipt of mortgage financing.

[g] Green Fund

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

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

In 2020, the Corporation received contributions of \$828 [2019 – \$1,077] from grants, rebates and photovoltaic electricity sales to support green initiatives.

[h] COVID19 Reserve Fund

The COVID19 Reserve Fund is a temporary fund set up in 2020 to mitigate impact of expenses associated with pandemic. In 2020, the fund received contributions from operations amounting to \$2,588 [2019 – nil], and a transfer of \$57 [2019 – nil] from the Equity Operating Reserve Fund.

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9. Pension agreements

The Corporation makes contributions to the Ontario Municipal Employees Retirement Fund ["OMERS"], which is a multi-employer plan, on behalf of most of its employees. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay. The Corporation's contribution to the OMERS plan for 2020 was \$3,133 [2019 – \$2,958] for current services and is included as an expense in the statement of operations and surplus. These contributions were matched with identical employee contributions for both years.

10. Employee benefits costs

Employee benefits costs consist of the following:

	2020	2019
	\$	\$
Post-retirement benefits	3,227	3,154
Vested employee benefits	1,434	1,124
	4,661	4,278

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

The continuity for post-retirement benefits for 2020 is as follows:

	\$
Balance, beginning of year	3,154
Service cost	127
Interest cost	83
Amortization of actuarial gain	(48)
Benefits paid	(89)
Balance, end of year	3,227

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

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

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

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

	2020	2019
Discount rate	2.5%	3.0%
Health care inflation rate	7.0% grading linearly to 4.0% in 2040	9.0% grading linearly to 4.5% in 2031

11. WSIB

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

The continuity for WSIB benefits costs for 2020 is as follows:

	\$
Balance, beginning of year	3,057
Service cost	364
Interest cost	110
Amortization of actuarial loss	(3)
Benefits paid	(319)
Total balance including current portion	3,209
Less current portion of WSIB benefits costs	467
Balance, end of year	2,742

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

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

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

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

	2020	2019
	%	%
Discount rate	2.75	3.75
Loss of earnings	0.25	1.25
Health care benefits	(1.00)	(0.75)
Fully indexed survivor benefits	1.00	2.00
Non-economic loss awards	1.00	2.00

12. Contingent liabilities

In the normal course of operations, the Corporation becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending as at December 31, 2020 cannot be predicted with certainty, it is the opinion of management that their resolution will not have a material adverse effect on the Corporation's financial position or results of operations.

13. Commitments

The Corporation has contractual commitments on capital projects as at December 31, 2020 in the amount of \$38,208 [2019 – \$28,823].

14. Related party transactions

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

Revenue and accounts payable/receivable

Total Service Manager revenue amounted to \$59,258 [2019 – \$58,467], with a balance of \$841 payable as at December 31, 2020 [2019 – \$3,419].

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Expenses and accounts payable

The following expenses are included in the statement of operations and surplus for the year ended December 31, 2020:

	2020	2019
	\$	\$
Municipal taxes	1,467	1,257
Electricity charges	7,642	7,658
Water and sewage costs	11,858	11,596

Included within accounts payable and accrued liabilities on the balance sheet as at December 31, 2020 is a balance payable of \$2,692 [2019 – \$2,483].

15. Capital management

In managing capital, the Corporation focuses on liquid resources available for operations and capital expenditures. The Corporation's objective is to have sufficient liquidity to manage both operating and capital expenditures. The need for sufficient liquidity is considered in the preparation of an annual budget and in the monitoring of cash flows and actual results compared to the budget. As at December 31, 2020, the Corporation has met its objective of having sufficient liquidity to meet its current obligations.

16. Financial instruments and risk management

Credit risk

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

Interest rate risk

The investments with flexible interest rates will expose the Corporation to interest rate risk. There is risk of market value adjustments on investments, which may result in cash flow risk. As at December 31, 2020, the Corporation has no holdings in equities or bonds.

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

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Market risk

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

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, 2020, the Corporation has no holdings in equities or bonds.

COVID-19 risk

The outbreak of the coronavirus disease ["COVID-19"] has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, nor is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments nor the impact on the financial position and financial results of the Corporation in future periods. During 2020, the corporation implemented the business process, operational measures and technology changes necessary to address the risks associated with the pandemic.

The Corporation continues to review impacts on the projects and service delivery. As at December 31, 2020, the Corporation does not anticipate any pandemic related operational impacts or long-term strategic consequences that would significantly impact its ability to deliver services.

SCHEDULE OF MORTGAGES, DEBENTURES AND LOANS

INSTITUTION	Program and property	Maturity date	Renewal date if different from maturity	Interest rate %	Principal Dec 31/2019 \$	Mortgage renewal issued in 2020 \$	Repayments 2020			Principal Dec 31/2020 \$
							Interest \$	Principal \$	Yearly payment \$	
BANK OF MONTREAL										
	Provincial Reformed									
	Hintonburg Place	2028/03/01		6.011%	3,724,788	—	191,769	376,688	568,457	3,348,100
	Equity General									
	Head Office	2031/05/01	2021/05/01	2.790%	1,089,781	—	26,566	84,655	111,221	1,005,126
	Carson Road	2041/01/01	2026/01/01	3.800%	2,694,085	—	100,898	84,586	185,484	2,609,499
	Arlington	2044/01/01	2029/01/01	3.910%	3,373,510	—	129,350	86,407	215,757	3,287,103
	Gladstone Village	2021/05/31		Prime +.25%	3,500,000	—	118,041	—	118,041	3,500,000
	Total Bank of Montreal				14,382,164	—	566,624	632,336	1,198,960	13,749,828
CANADA MORTGAGE AND HOUSING CORPORATION										
	Limited Dividend – Apartments									
	Beausejour 4	2020/06/01		3.150%	10,611	(5,330)	70	5,281	5,351	—
	Haley Court	2021/04/01		3.150%	78,630	—	1,626	58,646	60,272	19,984
	Christie Place	2021/06/01		3.150%	357,985	—	7,831	236,717	244,548	121,268
	Provincial Reformed									
	Cameron Court	2023/06/01	2021/06/01	3.150%	1,070,803	—	29,328	294,031	323,359	776,772
	Esson Place	2023/06/01	2021/06/01	3.150%	1,012,481	—	27,730	278,016	305,746	734,465
	Total Canada Mortgage and Housing Corporation				2,530,510	(5,330)	66,585	872,691	939,276	1,652,489
SCOTIA MORTGAGE AND LINE OF CREDIT										
	Provincial Reformed									
	Cumberland/George	2020/01/01		3.390%	1,048,816	(1,028,818)	2,942	19,997	22,939	—
	Marion Dewar Place	2024/05/01		5.830%	5,881,044	—	329,350	360,671	690,021	5,520,373
	Community Sponsored									
	Carson/Paul; Riddell; Edgeworth 460; Tweedsmuir; Beausejour 2; Ashgrove	2027/06/01		Floating+1.10%	6,701,454	—	181,186	450,917	632,103	6,250,537
	Total Scotia Mortgage and Line of Credit				13,631,314	(1,028,818)	513,478	831,585	1,345,063	11,770,910

SCHEDULE OF MORTGAGES, DEBENTURES AND LOANS

INSTITUTION	Program and property	Maturity date	Interest rate %	Principal	Mortgage renewal	Repayments 2020			Principal
				Dec 31/2019 \$	issued in 2020 \$	Interest \$	Principal \$	Yearly payment \$	Dec 31/2020 \$
TORONTO-DOMINION BANK									
	Equity General								
	380 Somerset St	2026/04/01	2.700%	3,165,141	—	83,615	111,428	195,043	3,053,713
	Provincial Reformed								
	Lady Stanley Place	2023/08/01	6.005%	1,673,129	—	87,903	420,772	508,675	1,252,357
	Vachon Place	2023/11/01	5.967%	2,115,221	—	118,880	216,362	335,242	1,898,859
	McAuley Place	2024/06/01	6.100%	5,913,574	—	341,010	556,078	897,088	5,357,496
	Scotthill	2024/12/01	6.752%	4,755,688	—	302,211	478,789	781,000	4,276,899
Total Toronto-Dominion Bank				17,622,753	—	933,619	1,783,429	2,717,048	15,839,324
ROYAL BANK									
	Municipal Non-profit								
	Strathcona: Wiggins, 300	2021/03/01	4.088%	1,093,472	—	41,385	159,310	200,695	934,162
Total Royal Bank				1,093,472	—	41,385	159,310	200,695	934,162
GRAND TOTAL ALL MORTGAGES				49,260,213	(1,034,148)	2,121,691	4,279,351	6,401,042	43,946,713

SCHEDULE OF DEBENTURES – INFRASTRUCTURE ONTARIO

INSTITUTION

Program and property	Maturity date	Interest rate %	Principal	Mortgage renewal	Repayments 2020			Principal
			Dec 31/2019 \$	issued in 2020 \$	Interest \$	Principal \$	Yearly payment \$	Dec 31/2020 \$
INFRASTRUCTURE ONTARIO								
Various Projects	2040/08/16	4.960%	15,484,208	—	758,079	441,069	1,199,148	15,043,139
Equity General								
312 Cumberland	2036/06/01	4.710%	3,590,781	—	165,969	147,467	313,436	3,443,314
Richelieu Court	2036/07/15	4.600%	1,014,945	—	45,814	41,784	87,598	973,161
Ron Kolbus Place	2043/12/16	4.540%	3,924,969	—	176,285	92,502	268,787	3,832,467
Den Haag	2045/07/02	3.680%	6,496,213	—	236,449	155,851	392,300	6,340,362
3225 Uplands Drive	2050/03/02	2.710%	—	2,000,000	40,355	32,747	73,102	1,967,253
1290 Coldrey Avenue	2050/11/17	2.730%	—	3,800,000	8,645	6,828	15,473	3,793,172
Tranche 1-2012								
Lebreton1; Fairlea Court; Rockingham; Hasenack Place; Lebreton 55-65; Blohm Court	2042/07/03	3.930%	21,973,110	—	852,512	616,775	1,469,287	21,356,335
Tranche 2-2012								
Allard Place, Strathcona: Sentier	2042/12/03	3.870%	8,113,077	—	310,045	223,206	533,251	7,889,871
Tranche 1-2013								
Strathcona: Renovations 1 Gilmour May Nickson Place	2043/08/02	4.340%	10,317,954	—	442,756	255,507	698,263	10,062,447
Tranche 2-2013								
Bruyère & Bélanger Manor Eva Taylor Strathcona: Nancy Smith Orchard Grove Revell Court	2043/12/02	4.530%	14,535,144	—	651,378	343,022	994,400	14,192,122
Tranche-2014								
Strathcona: Wiggins, 206-296 Silver Heights	2044/11/03	3.810%	8,413,769	—	316,984	206,459	523,443	8,207,310
Tranche-2015								
Thornccliffe Court; Spadina Place; Nepean Place	2045/10/15	3.790%	11,121,506	—	417,042	258,702	675,744	10,862,804
Tranche 1-2016								
212 Bronson Avenue; 1433 Mayview; 507 Riverdale	2046/05/02	3.610%	9,199,553	—	328,616	212,170	540,786	8,987,383

SCHEDULE OF DEBENTURES – INFRASTRUCTURE ONTARIO

Tranche 2-2016									
Cahill Place; Cairine Court; Dubeau Court; Bathgate Court; Lebreton 2; Strathcona Wiggins 301-427; Strathcona Goulburn 300; St. Laurent Place	2046/08/02	3.270%	36,024,792	—	1,165,182	861,017	2,026,199	35,163,775	
Tranche 1-2017									
Loretta/Young; Shearwater Court; Karsh Court; McCartin Place; Strathcona: Wiggins 310, 320 and 430	2047/06/01	3.450%	29,334,829	—	1,001,819	651,191	1,653,010	28,683,638	
Tranche 2-2017									
Lebreton 3; St. Peter's Court; Hunt Club	2047/11/01	3.740%	13,866,807	—	513,726	287,336	801,062	13,579,471	
Tranche 2018									
Woodland Place; Winthrop Court; Strathcona: Renovations 2	2048/09/04	3.750%	8,792,161	—	326,745	173,419	500,164	8,618,742	
Tranche 2019									
Tapiola Court; Woodland Place; Lavigne Court; Brian Courns Place	2049/09/03	2.950%	21,487,569	—	627,722	458,098	1,085,820	21,029,471	
Tranche 2020									
Cumberland/George; Beausejour 4	2050/03/02	2.710%	—	5,978,000	120,622	97,882	218,504	5,880,118	
INFRASTRUCTURE ONTARIO			223,691,387	11,778,000	8,506,745	5,563,032	14,069,777	229,906,355	

SCHEDULE OF MORTGAGES, DEBENTURES AND LOANS

DEBENTURES	Maturity date	Interest rate %	Principal	Repayments 2020			Principal
			Dec 31/2019 \$	Interest \$	Principal \$	Yearly payment \$	Dec 31/2020 \$
DEBENTURES – PUBLIC PROGRAM							
Various Projects	2022/01/01 to 2026/01/01	6.09%	9,155,173	491,226	3,966,060	4,457,286	5,189,113
TOTAL DEBENTURES – PUBLIC PROGRAM			9,155,173	491,226	3,966,060	4,457,286	5,189,113

FORGIVEABLE LOANS

As at December 31, 2020

	Interest rate	Maturity date	Forgivable loan	Principal Dec 31/2019	Issued 2020	Forgivable portion 2019	Principal Dec 31/2020
	%		\$	\$	\$	\$	\$
Ontario Affordable Housing Program							
380 Somerset St	0.00%	2025/12/01	1,740,000	1,740,000	—	—	1,740,000
245-247 Crichton Street	0.00%	2032/01/01	720,000	720,000	—	—	720,000
2926 Michele Drive	0.00%	2051/01/01	800,000	800,000	—	—	800,000
140 Den Haag Drive	0.00%	2047/12/12	11,017,824	10,855,824	162,000	—	11,017,824
3225 Uplands Drive	0.00%	2052/01/24	2,247,464	2,160,000	87,464	—	2,247,464
1290 Coldrey Avenue	0.00%	2054/01/01	4,600,000	4,140,000	460,000	—	4,600,000
811 Gladstone Avenue	0.00%	2055/02/26	2,743,306	—	2,743,306	—	2,743,306
Total Ontario Affordable Housing Program			23,868,594	20,415,824	3,452,770	—	23,868,594
Housing and Poverty Reduction Investment Plan							
714 Carson Road	0.00%	2049/01/01	4,000,000	4,000,000	—	—	4,000,000
Total Housing and Poverty Reduction Investment Plan			4,000,000	4,000,000	—	—	4,000,000
Housing and Homelessness Investment Plan							
454-456 Old St. Patrick Street	0.00%	2050/03/01	1,200,000	1,200,000	—	—	1,200,000
Total Housing and Homelessness Investment Plan			1,200,000	1,200,000	—	—	1,200,000
Dovercourt Recreation							
2 Van Lang Private	0.00%	2036/06/01	1,200,000	1,200,000	—	—	1,200,000
			1,200,000	1,200,000	—	—	1,200,000
TOTAL FORGIVABLE LOANS			30,268,594	26,815,824	3,452,770	—	30,268,594

INTERNAL LOANS

As at December 31, 2020

Internal Borrowing	Program and property	Maturity date	Interest rate %	Principal	Mortgage renewal		Interest \$	Repayments 2020		Principal
				Dec 31/2019 \$	Issued in 2020 \$	Discharged in 2020 \$		Principal \$	Yearly payment \$	Dec 31/2020 \$
Provincial Reformed	Cumberland/George	2020-03-01	3.390%	—	1,028,818	(988,656)	5,716	40,162	45,878	—
GRAND TOTAL ALL INTERNAL LOANS				—	1,028,818	(988,656)	5,716	40,162	45,878	—