

Capital Region Housing Corporation 2021 Financial Statements

British Columbia, Canada
Fiscal year ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Shareholder of the Capital Region Housing Corporation

Opinion

We have audited the financial statements of the Capital Region Housing Corporation (the Corporation), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets and remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021, and its results of operations, its changes in net assets and remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 “Auditors’ Responsibilities for the Audit of the Financial Statements” section of our auditors’ 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.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in the Annual Report as at the date of this auditors' report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

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 Canadian public sector accounting standards, 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.

Auditors' 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 auditors' 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 the 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 auditors' 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 auditors' 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.
- 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.

Chartered Professional Accountants

Victoria, Canada
May 11, 2022

Capital Region Housing Corporation

MANAGEMENT REPORT

The Financial Statements contained in this report have been prepared by management in accordance with Canadian public sector accounting standards. The integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Capital Region Housing Corporation Board of Directors are responsible for approving the financial statements and for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Hospitals and Housing Committee of the Board.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian public sector accounting standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to staff and management. The Independent Auditors' Report outlines the scope of the audit for the year ended December 31, 2021.

On behalf of Capital Region Housing Corporation,

Nelson Chan, MBA, FCPA, FCMA
Chief Financial Officer
May 11, 2022

Statement of Financial Position

As at December 31, 2021

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 7,872,078	\$ 6,961,868
Accounts receivable	1,374,220	642,886
Prepaid expenses	628,182	541,333
	9,874,480	8,146,087
Cash and cash equivalents restricted for replacement reserve (Note 2)	6,900,663	5,934,450
Capital assets (Note 3 and Schedule C)	188,330,922	161,085,348
	\$ 205,106,065	\$ 175,165,885
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	2,062,933	1,014,548
Accrued mortgage interest	326,483	209,964
Due to Capital Regional District	80,748	104,454
Deferred revenue	701,750	704,008
Security deposits	1,034,183	795,281
Short-term capital financing	2,151,025	61,277,457
Mortgages payable principal current portion (Schedule D)	6,151,134	4,828,667
Mortgages payable principal renewal portion (Note 4 and Schedule D)	3,747,610	3,189,847
	16,255,866	72,124,226
Mortgages payable (Note 4 and Schedule D)	150,343,987	71,844,896
Capital stock (Note 5)	1	1
Net assets:		
Invested in capital assets (Note 6)	26,879,486	21,351,990
Externally restricted (Note 7)	10,076,031	8,587,302
Internally restricted (Note 7)	1,003,312	623,382
Unrestricted: Corporation stabilization reserve (Note 8)	664,933	498,122
	38,623,762	31,060,796
Accumulated remeasurement gains (losses)	(117,551)	135,966
	38,506,211	31,196,762
Commitments and contingencies (Note 9)		
	\$ 205,106,065	\$ 175,165,885

See accompanying notes to the financial statements.

On behalf of the Board:

_____ Director

_____ Director

Statement of Operations

For the Year Ended December 31, 2021

	Operating Funds		Restricted Funds		Total 2021	Total 2020
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund		
Revenues:						
Tenant rent contributions	\$ -	\$18,482,139	\$ -	\$ -	\$ 18,482,139	\$ 14,483,146
BCHMC rent subsidy assistance	-	330,338	-	-	330,338	359,792
BCHMC umbrella operating agreement funding	-	2,858,390	-	-	2,858,390	3,118,951
Rental management fees	2,426,020	-	-	-	2,426,020	1,736,610
Rental management fees - other	79,548	-	-	-	79,548	80,682
Investment income	81,922	-	-	130,169	212,091	271,933
Guest suites, net	(1,096)	-	-	-	(1,096)	(1,774)
Miscellaneous	25,515	200,222	-	-	225,737	193,516
Project management fees	361,732	-	-	-	361,732	273,690
Government contributions (Note 9)	295,000	-	5,606,805	27,525	5,929,330	660,000
	3,268,641	21,871,089	5,606,805	157,694	30,904,229	21,176,546
Expenses:						
Administration and property management	2,599,269	-	-	-	2,599,269	2,255,667
Amortization	-	-	7,140,382	-	7,140,382	6,228,560
Property taxes	-	28,751	-	-	28,751	295,670
Insurance	-	1,139,572	-	-	1,139,572	845,756
Maintenance	-	1,231,145	-	-	1,231,145	949,823
Caretakers	-	1,789,881	-	-	1,789,881	1,513,770
Landscape	-	409,285	-	-	409,285	378,861
Electricity	-	402,265	-	-	402,265	264,704
Land and improvement leases	-	294,000	-	-	294,000	294,000
Water	-	1,309,824	-	-	1,309,824	1,090,990
Oil and gas	-	174,264	-	-	174,264	96,251
Garbage	-	312,005	-	-	312,005	286,381
Rental management fee	-	2,425,159	-	-	2,425,159	1,735,790
Audit and legal	-	33,642	-	-	33,642	31,381
Miscellaneous	-	33,580	-	-	33,580	35,745
Hospitality services (Parry Place)	-	298,093	-	-	298,093	293,690
Interest on mortgages payable	-	3,282,707	-	-	3,282,707	2,127,930
Repayment of BCHMC capital contribution	-	-	-	-	-	700,000
Loss on disposal of capital assets	-	-	437,439	-	437,439	-
	2,599,269	13,164,173	7,577,821	-	23,341,263	19,424,969
Excess of revenues over expenses	\$ 669,372	\$ 8,706,916	\$ (1,971,016)	\$ 157,694	\$ 7,562,966	\$ 1,751,577

See accompanying notes to the financial statements.

Statement of Changes in Net Assets & Remeasurement Gains & Losses

For the Year Ended December 31, 2021

	Operating Funds		Restricted Funds		Remeasurement Gains / (Losses)	Total 2021	Total 2020
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund			
Net assets, beginning of year	\$ 659,315	\$ 3,115,041	\$ 21,351,990	\$ 5,934,450	\$ 135,966	\$ 31,196,762	\$ 29,093,603
Excess of revenues over expenses	669,372	8,706,916	(1,971,016)	157,694	-	7,562,966	1,751,577
Interfund transfers:							
Mortgage principal repayments	-	(5,903,295)	5,903,295	-	-	-	-
Replacement reserve transfers	-	(2,980,835)	-	2,980,835	-	-	-
Replacement reserve expenditures	-	-	2,172,322	(2,172,322)	-	-	-
Fund transfers	(500,000)	1,077,105	(577,105)	-	-	-	-
	(500,000)	(7,807,025)	7,498,512	808,513	-	-	-
Unrealized gain (loss) on investments	-	-	-	-	(253,517)	(253,517)	351,582
Net assets, end of year	\$ 828,687	\$ 4,014,932	\$ 26,879,486	\$ 6,900,657	\$ (117,551)	\$ 38,506,211	\$ 31,196,762

See accompanying notes to the financial statements.

Statement of Cash Flows

For the Year Ended December 31, 2021

	2021	2020
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	\$ 7,562,966	\$ 1,751,577
Items not involving cash:		
Amortization	7,140,382	6,228,560
Loss on disposal of capital assets	437,439	-
Changes in non-cash assets and liabilities:		
(Increase) in accounts receivable	(731,334)	(159,732)
Decrease in due from Capital Regional Hospital District	-	80,726
(Increase) in inventory and prepaid expenses	(86,849)	(149,502)
Increase (decrease) in accounts payable and accrued liabilities	1,048,385	(1,670,210)
Increase (decrease) in accrued mortgage interest	116,519	(19,860)
Increase (decrease) in deferred revenue	(2,258)	33,193
Increase in security deposits	238,902	158,667
Increase (decrease) due to Capital Regional District	(23,706)	82,915
Net change in cash from operating activities	15,700,446	6,336,334
Investing activities:		
Decrease (increase) in restricted cash and cash equivalents	(1,219,730)	12,424
Capital activities:		
Acquisition of capital assets	(34,823,395)	(67,379,039)
Net change in cash from capital activities	(34,823,395)	(67,379,039)
Financing activities:		
Repayment of mortgages payable	(6,473,745)	(5,092,006)
Proceeds from (repayment of) short term debt	(59,126,432)	61,277,457
Proceeds from long term debt	86,853,066	5,028,128
	21,252,889	61,213,579
Net change in cash and cash equivalents	910,210	183,298
Cash and cash equivalents, beginning of year	6,961,868	6,778,570
Cash and cash equivalents, end of year	\$ 7,872,078	\$ 6,961,868

See accompanying notes to the financial statements.

Capital Region Housing Corporation

Notes to the Financial Statements

For the Year Ended December 31, 2021

General

The Capital Region Housing Corporation (the "Corporation") is incorporated under the laws of British Columbia and its principal activity is the provision of rental accommodation. As a wholly owned subsidiary of the Capital Regional District ("CRD"), the Corporation is exempt from taxation under the Income Tax Act and is regarded as a municipality for GST purposes.

1. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations.

a. Revenue Recognition

The Corporation follows the restricted fund balance method of accounting for contributions. Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year to which the funding relates. All other restricted contributions are recognized as revenue of the appropriate restricted fund in the year received or receivable.

b. Fund Accounting

i. Operating Funds

The Operating Funds reflect the Corporation's assets, liabilities and transactions relating to the ongoing rental and non-rental operations ("Corporation"). In accordance with the agreements with British Columbia Housing Management Commission (BCHMC), a Portfolio Stabilization Reserve has been established for each portfolio's accumulated operating surplus. The Corporation has also established a reserve for the No Operating Agreement portfolio. These reserves are used in the event that annual rental revenues and government subsidies are inadequate to meet the portfolio's mortgage payments and operating costs. The Corporation can also contribute funds from these reserves to the Replacement Reserve Fund, if required. At the discretion of the Board, the unrestricted Corporate Stabilization Reserve provides funding for administration and special projects.

ii. Capital Fund

The Capital Fund reflects the Corporation's investment in capital assets and related financial activities.

iii. Replacement Reserve Fund

In accordance with the agreements with BCHMC, a Replacement Reserve Fund has been established for each building to pay for the replacement of worn-out capital equipment and other approved items. The Replacement Reserves are funded by an annual transfer from the Rental Housing Operating Fund. Capital expenditures made from the reserve are transferred to the Capital Fund.

1. Significant Accounting Policies (continued)

c. Capital Assets

Land, buildings, equipment and vehicles are stated at cost. Amortization is charged upon the asset becoming available for productive use in the year of acquisition. Amortization over their estimated useful lives is provided on the straight-line basis at the following rates:

Asset	Rate
Prepaid leases	29-60 Years
Buildings	35 Years
Equipment	10 Years
Vehicles	5 Years

All transfers from the Replacement Reserve Fund and office equipment are stated at cost and amortization is taken on the declining balance basis at 20% per annum.

Capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services or when the value of the future economic benefits associated with the asset is less than the book value of the asset.

d. Debt Retirement

Payment of principal on long-term debt is funded by a transfer from the Rental Housing Operating Fund to the Capital Fund.

e. Operating Agreements

i. Umbrella

Effective April 1, 2012, the Corporation signed a thirty-three month Interim Umbrella Operating Agreement (the "Umbrella Agreement") with BCHMC to consolidate three operating agreements to reduce administrative duplication, allow the Corporation more flexibility to determine priorities for the portfolio maintenance and management and create a stable and predictable funding stream for the Corporation. In addition, the parties agreed to work together to develop a long-range capital planning tool to enable the Corporation and BCHMC to determine the capital replacement needs of the portfolio for the next thirty years and to negotiate on the transfer of the land ownership of the BCHMC projects from the Provincial Rental Housing Corporation to the Corporation. The final agreement was signed on December 2, 2014 with an effective date of January 1, 2015, for a five year term, and was renewed in December 2019 for an additional five year term ending 2024.

Effective August 17, 2020, the Umbrella Agreement was modified to remove three properties, Portage Place, Campus View Court, and Royal Oak Square, whose mortgages had matured and which were originally part of the CMHC Agreement described below. The properties were moved to the CRHC No Operating Agreement portfolio and their corresponding Replacement Reserve balances were moved to the CRHC No Operating Agreement Replacement Reserve. No transfers were made between Portfolio Stabilization Reserves. As a result of this change, the Umbrella Agreement now contains 39 buildings and 1,142 units.

1. Significant Accounting Policies (continued)

e. Operating Agreements (continued)

i. Umbrella (continued)

Except as modified by the Umbrella Agreement, all provisions of the original three operating agreements with CMHC, BCHMC and Homes BC will continue to apply to each project in the portfolio.

a) CMHC

Prior to April 1, 2012 the Corporation had entered into agreements with CMHC pursuant to Section 95 (formerly Section 56.1) of the National Housing Act whereby CMHC will provide mortgage assistance grants to the Corporation that reduce interest costs to not less than 2% on all mortgages payable. As of January 1, 2005 when a mortgage loan is renewed the mortgage assistance grants shall increase or decrease by the same dollar amount as the monthly loan payment of principal and interest changes.

b) BCHMC

Prior to April 1, 2012 the Corporation had entered into agreements with BCHMC whereby BCHMC, on behalf of the Provincial and Federal governments, will provide rent subsidy assistance equal to the BCHMC approved difference between tenant rent contributions and BCHMC defined economic rents.

c) Homes BC Program

Prior to April 1, 2012 the Corporation had entered into agreements with BCHMC under the unilaterally funded Homes BC Program. The Provincial Government agrees to provide rent subsidy assistance for Rent Geared to Income (RGI) units (approximately 60% of total units) based on the difference between the tenant rent contribution and the approved economic rents. The Province also agrees to provide Repayable Assistance equal to the difference between the economic and the approved low-end of market rents for the remaining units.

ii. Independent Living BC II Program

The Corporation has entered into an agreement with BCHMC under the unilaterally funded Independent Living BC II Program. The Provincial Government agrees to provide subsidy assistance for shelter and defined hospitality costs based on the difference between seventy percent (70%) of the residents' net income and the approved operating budget.

iii. Regional Housing First Program

The Regional Housing First Program (RHFP) is a partnership between the Provincial and Federal governments and the CRD to provide capital funding to affordable housing projects in the region. The Corporation has entered into a 40-year agreement with BCHMC on behalf of the RHFP whereby the Corporation provides shelter-rate and affordable rents to low and moderate income tenants. No other financial contribution is received to subsidize the ongoing operation of the buildings.

1. Significant Accounting Policies (continued)

e. Operating Agreements (continued)

iv. Investment in Housing Innovation Program

The Corporation has entered into a 40-year agreement with BCHMC under the Investment in Housing Innovation (IHI) program. Capital funding was provided in the form of a forgivable loan to facilitate the construction of the Westview building. No other financial contribution is received to subsidize the ongoing operation of the building.

v. CRHC No Operating Agreement

This category includes buildings that receive no mortgage assistance or rent subsidy assistance. Tenant rent contributions are determined by the Corporation.

f. Allocation of Investment Income

Funds available for investment are pooled and interest revenue is allocated to restricted funds at the rate of average prime minus 0.45% (2020: average prime minus 0.11%).

g. Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Derivative instruments, bonds and equity instruments that are quoted in an active market are subsequently reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. The Corporation has not elected to carry any other such financial instruments at fair value.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

h. Use of Estimates

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

2. Cash and Cash Equivalents

Cash and cash equivalents have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments. Included in cash and cash equivalents are investments in the Municipal Finance Authority of British Columbia (MFA) Short Term Bond and Money Market Funds. See Schedule A for details of cash and cash equivalents restricted for replacement reserve.

3. Capital Assets

December 31, 2021	Cost	Accumulated Amortization	Net Book Value
Land	\$ 9,496,053	\$ -	\$ 9,496,053
Prepaid leases	134,951,377	9,393,601	125,557,776
Buildings	126,839,572	82,189,887	44,649,685
Equipment and other	39,677,202	31,049,794	8,627,408
	\$ 310,964,204	\$ 122,633,282	\$ 188,330,922

December 31, 2020	Cost	Accumulated Amortization	Net Book Value
Land	\$ 9,496,053	\$ -	\$ 9,496,053
Prepaid leases	109,499,053	7,233,959	102,265,094
Buildings	122,362,585	81,567,634	40,794,951
Equipment and other	38,956,747	30,427,497	8,529,250
	\$ 280,314,438	\$ 119,229,090	\$ 161,085,348

4. Mortgages Payable

Pursuant to Section 5 of the National Housing Act, CMHC has undertaken to insure all mortgages payable by the Corporation except the mortgages on Village on the Green and Vergo. As additional security, the mortgagors hold chattel mortgages and assignments of rent.

Principal due within each of the next five years on these mortgages is as follows:		Assuming no mortgage renewal	Assuming mortgage renewal
	2022	\$ 9,898,744	\$ 6,164,536
	2023	7,131,300	6,236,514
	2024	13,815,354	6,076,120
	2025	8,181,738	5,635,896
	2026	\$ 5,947,112	\$ 5,418,041

See Schedule D for details of interest rates, renewal dates, and maturity dates of mortgages. Mortgage renewal amounts are calculated based on existing rates and do not consider current prevailing market rates.

5. Capital Stock

Authorized capital: 2,000 shares with par value of \$1 each

Issued capital: 1 share of \$1 par value, owned by the Capital Regional District.

6. Invested in Capital Assets

Investment in capital assets is calculated as follows:

	December 31, 2021	December 31, 2020
Capital assets	\$ 188,330,922	\$ 161,085,348
Accounts receivable	1,106,873	454,156
Interfund due (to)/from rental housing operating fund	(164,553)	953,353
Mortgages payable	(160,242,731)	(79,863,410)
Short-term capital financing	(2,151,025)	(61,277,457)
	\$ 26,879,486	\$ 21,351,990

7. Restricted Net Assets

Externally restricted net assets:

	December 31, 2021	December 31, 2020
Replacement reserve fund	\$ 6,900,657	\$ 5,934,450
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,949)
Portfolio stabilization reserve - umbrella agreement	2,914,641	2,588,625
Portfolio stabilization reserve - ILBC2 agreement	(62,637)	(38,827)
Portfolio stabilization reserve - RHFP agreement	38,150	(13,589)
Portfolio stabilization reserve - IHI	289,169	120,592
	\$ 10,076,031	\$ 8,587,302

7. Restricted Net Assets (continued)

Internally restricted net assets:

	December 31, 2021	December 31, 2020
Portfolio stabilization reserve - no operating agreement	\$ 839,558	\$ 462,189
Guest suite surplus	35,330	36,425
Vehicle replacement reserve	96,476	94,584
Equipment replacement reserve	31,948	30,184
	\$ 1,003,312	\$ 623,382

Rental housing operating fund balance:

	December 31, 2021	December 31, 2020
Portfolio stabilization reserve - umbrella agreement	\$ 2,914,641	\$ 2,588,625
Portfolio stabilization reserve - ILBC2 agreement	(62,637)	(38,827)
Portfolio stabilization reserve - RHFP agreement	38,150	(13,589)
Portfolio stabilization reserve - IHI	289,169	120,592
Portfolio stabilization reserve - no operating agreement	839,558	462,189
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,949)
	\$ 4,014,932	\$ 3,115,041

8. Unrestricted Net Assets

Unrestricted net assets - corporation stabilization reserve:

	December 31, 2021	December 31, 2020
Operating net assets, ending balance	\$ 828,687	\$ 659,315
Less: Internally restricted net assets		
Guest suite surplus	(35,330)	(36,425)
Vehicle replacement reserve	(96,476)	(94,584)
Equipment replacement reserve	(31,948)	(30,184)
	\$ 664,933	\$ 498,122

9. Commitments and Contingencies

a. Related Party Transactions

The Corporation is a wholly owned subsidiary of the Capital Regional District (CRD). In 1997, the Corporation committed to a 60-year prepaid land lease at 625 Superior Street from the CRD at the agreed upon price of \$525,000 which was recognized as an acquisition in the Corporation Capital Fund. In 2017, the Corporation committed to a 60-year land lease at 3816 Carey Road from the CRD for one dollar, with the land use restricted to affordable housing. In 2021, the Corporation committed to a 60-year land lease at 2782 Spencer Road from the CRD for ten dollars, with the land use restricted to affordable housing.

In 2018, a RHFP project management office was created to support the delivery of the Program. During the year the Corporation contributed \$64,790 (2020: \$63,520) to the CRD, to cost share in administrative support and project management services.

On January 25, 2019, as part of the RHFP, the CRD purchased Millstream Ridge and entered into a 60-year prepaid lease in the amount of \$33,250,194 and a 35-year operator agreement with the Corporation. The Corporation secured 35-year mortgage financing to fund the prepaid lease.

On November 2, 2020, as part of the RHFP, the CRD purchased West Park and entered into a 60-year prepaid lease in the amount of \$29,430,822 and a 35-year operator agreement with the Corporation. The CRD's Regional Housing Trust Fund provided a capital grant to the Corporation in the amount of \$660,000 for this project. The Corporation secured 35-year mortgage financing to fund the prepaid lease.

On November 20, 2020, as part of the RHFP, the CRD purchased Spencer Close and entered into a 60-year prepaid lease in the amount of \$28,419,513 and a 35-year operator agreement with the Corporation. The Corporation secured 35-year mortgage financing to fund the prepaid lease.

On March 22, 2021, as part of the RHFP, the CRD purchased Hockley House and entered into a 60-year prepaid lease in the amount of \$23,807,370 and a 35-year operator agreement with the Corporation. The Corporation secured 35-year mortgage financing to fund the prepaid lease.

During 2021, the Corporation received \$295,000 of COVID-19 Safe Restart Grants for Local Governments from the CRD to provide for revenue shortfalls.

b. Sublease of Kings Place Housing Development

The Corporation entered into agreement with the Cridge Housing Society and the Provincial Rental Housing Corporation to sublease the land and improvements at 1070 Kings Road, Victoria for a term of thirty years commencing August 1, 1997. The Homes BC Program Operating Agreement was assigned to the Corporation from the Cridge Housing Society with the approval of the BCHMC. Current annual lease payments amount to \$231,000 and are based on the annual mortgage payments.

9. Commitments and Contingencies (continued)

c. Building Envelope Remediation (BER)

Prior to the signing of the Umbrella Agreement in 2012, BCHMC provided funding for building envelope failure remediation for BCHMC and Homes BC buildings. BCHMC may require repayment of certain BER subsidies. Repayment would be funded by second mortgages. Funding for future BER for all buildings except No Operating Agreement buildings is subject to future negotiations with BCHMC. In 2014, BCHMC entered into an agreement with the Corporation to fund the Heathers BER with a 35-year forgivable mortgage of \$1,258,358.

d. Mortgage During Construction

During 2021, a mortgage was registered on the Olympic View property by BCHMC as security over short-term construction financing provided for the Caledonia redevelopment project. These funds are required to be repaid and the mortgage discharged in 2022.

e. Forgivable Loans

The Corporation has received funding to develop affordable housing units through forgivable loans. If the developments funded are not used for their approved purpose by the grantor, the loan will become repayable.

10. Pension Liability

The Corporation and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula.

As at December 31, 2020, the Plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 49 contributors from the Corporation.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the Plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Corporation's employer contributions to the Plan for the fiscal year ended December 31, 2021 were \$266,976 (2020: \$222,396). The next valuation will be as at December 31, 2021, with results available in 2022.

10. Pension Liability (continued)

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

11. Financial risks and concentration of risk

a. Credit risk

Credit risk refers to the risk that a counter party may default on its contractual obligations resulting in a financial loss. The Corporation is exposed to credit risk with respect to the accounts receivable, cash, and cash equivalents. The Corporation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Corporation at December 31, 2021 is the carrying value of these assets. The carrying amount of accounts receivable is valued with consideration for an allowance for doubtful accounts. The amount of any related impairment loss is recognized in the statement of operations. Subsequent recoveries of impairment losses related to accounts receivable are credited to the statement of operations. The balance of the allowance for doubtful accounts at December 31, 2021 is \$0 (2020: \$0). There have been no significant changes to the credit risk exposure from 2020.

b. Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Corporation manages its liquidity risk by monitoring its operating requirements. The Corporation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Accounts payable and accrued liabilities are generally due within 30 days of receipt of an invoice. The contractual maturities of mortgages payable are disclosed in Note 4. There have been no significant changes to the liquidity risk exposure from 2020.

c. Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investment.

i. Foreign exchange risk:

The Corporation does not enter into foreign exchange transactions and therefore is not exposed to foreign exchange risk. There have been no significant changes to foreign exchange risk exposure from 2020.

11. Financial risks and concentration of risk (continued)

- c. Market risk: (continued)
 - ii. Interest rate risk:

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

The Corporation holds cash equivalents in MFA Short Term Bond and Money Market Funds where changes in fair value have parallel changes in unrealized gains or losses until realized on disposal.

The Corporation's mortgage interest rates are fixed and are subject to interest rate risk upon renewal. The interest rate risk is mitigated by the subsidy assistance received for most properties from BCHMC and CMHC, which is based on mortgage principal and interest payments. At December 31, 2021, there are seven properties which do not receive subsidy assistance based on mortgage interest rates: Village on the Green, Vergo, Millstream Ridge, Westview, Spencer Close, West Park, and Hockley House. These properties will be subject to interest rate risk upon renewal.

12. Comparative Information

Certain 2020 comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

Changes in Replacement Reserve Fund

For the Year Ended December 31, 2021

	Balance at December 31 2020	Transfer from Rental Operating Fund	Transfer from Portfolio Stabilization Reserve	Contribution from BCHMC	Interest	Transfer to Capital Fund	2021
<u>Umbrella Agreement</u>							
Oakwinds	\$ 782,059	\$ 103,800	\$ -	\$ -	\$ 16,206	\$ (47,021)	\$ 855,044
James Yates Gardens	136,722	16,608	-	-	2,726	(17,467)	138,589
Pinehurst	441,878	41,520	-	-	8,783	(46,984)	445,197
The Brambles	165,179	37,368	-	-	3,460	(21,690)	184,317
The Terraces	542,834	41,520	-	-	11,184	(8,758)	586,780
Michigan Square	361,024	-	-	-	7,068	(15,298)	352,794
Olympic View	75,750	124,560	-	-	2,196	(56,459)	146,047
Swanlea	153,230	29,064	-	-	2,894	(44,407)	140,781
Firgrove	55,112	66,432	-	-	1,537	(22,974)	100,107
Beechwood Park	(6,313)	99,648	-	-	425	(44,516)	49,244
Grey Oak Square	15,169	49,824	-	-	511	(29,096)	36,408
Willowdene	27,922	31,140	-	-	689	(18,056)	41,695
Rosewood	110,950	91,344	-	-	2,590	(54,290)	150,594
Gladstone	42,820	29,064	-	-	1,025	(12,194)	60,715
Camosun Place	61,368	16,608	-	-	1,296	(9,708)	69,564
Parkview	112,085	53,976	-	-	2,333	(44,835)	123,559
Carey Lane	92	45,672	-	-	-	(47,796)	(2,032)
Colquitz Green	(30,355)	41,520	-	-	-	(40,352)	(29,187)
Springtide	98,747	99,648	-	-	2,635	(34,224)	166,806
Greenlea	7,585	43,596	-	-	365	(22,224)	29,322
Arbutus View	(3,893)	47,748	-	-	-	(91,257)	(47,402)
Amberlea	230,610	91,344	-	-	4,945	(58,112)	268,787
Cloverhurst	55,420	20,760	-	-	1,054	(26,202)	51,032
Hamlet	(21,476)	20,760	-	-	-	(5,640)	(6,356)
Viewmont	112,914	74,736	-	-	2,744	(26,192)	164,202
Creekside	(13,520)	49,824	-	-	159	(6,902)	29,561
The Birches	83,577	116,256	-	-	2,197	(63,725)	138,305
Caledonia	17,247	-	-	-	345	-	17,592
The Heathers	145,268	53,976	-	-	3,341	(10,411)	192,174
Heron Cove	107,631	49,824	-	-	2,248	(40,281)	119,422
Castanea Place	350,846	122,484	-	-	7,706	(79,900)	401,136
Leblond Place	(78,484)	89,268	-	-	-	(37,990)	(27,206)
Rotary House	58,545	85,116	-	-	1,056	(96,564)	48,153
Cairns Park	(8,117)	12,456	-	-	-	(35,526)	(31,187)
Kings Place	55,435	72,660	-	-	1,500	(33,563)	96,032
Carillon Place	23,267	31,140	-	-	652	(12,510)	42,549
Brock Place	(98)	62,280	-	-	528	(9,250)	53,460
Harbour Lane	221,888	58,128	-	-	4,787	(23,170)	261,633
Tillicum Station	236,532	83,037	-	-	5,294	(26,738)	298,125
<u>ILBC2 Agreement</u>							
Parry Place	117,525	16,600	6,196	27,525	2,552	(31,370)	139,028
<u>No Operating Agreement</u>							
Village on the Green	335,035	78,719	-	-	647	(684,135)	(269,734)
Vergo	67,905	37,288	-	-	1,603	(12,825)	93,971
Portage Place	157,657	35,217	-	-	3,368	(13,761)	182,481
Campus View Court	138,860	24,859	-	-	2,822	(20,415)	146,126
Royal Oak Square	175,704	78,719	-	-	3,932	(36,904)	221,451
<u>RHFP Agreement</u>							
Millstream Ridge	175,649	114,048	-	-	4,333	(32,065)	261,965
Spencer Close	-	112,320	-	-	1,055	(6,819)	106,556
West Park	-	131,328	-	-	1,248	(6,503)	126,073
Hockley House	-	77,760	-	-	768	(1,008)	77,520
<u>IHI Agreement</u>							
Westview	38,665	63,072	-	-	1,362	(4,235)	98,864
	\$ 5,934,450	\$ 2,974,639	\$ 6,196	\$ 27,525	\$ 130,169	\$ (2,172,322)	\$ 6,900,657

Changes in Portfolio Stabilization Reserves

For the Year Ended December 31, 2021

	Balance at December 31, 2020	Reimburse BCHMC	Transfer (to) Replacement Reserve Fund (Schedule A)	Transfer from/(to) Rental Operating Fund (Schedule E)	Transfer (to) Capital Fund	Balance at December 31, 2021
<u>Umbrella</u>						
<u>Agreement</u>						
CMHC	\$ 5,100,249	\$ -	\$ -	\$ 1,498,251	\$ -	\$ 6,598,500
BCHMC	(2,388,800)	-	-	(1,115,610)	-	(3,504,410)
Homes BC	(122,824)	-	-	(56,625)	-	(179,449)
	2,588,625	-	-	326,016	-	2,914,641
<u>ILBC2</u>						
<u>Agreement</u>						
Parry Place	(38,827)	-	(6,196)	(17,614)	-	(62,637)
<u>RHFP</u>						
<u>Agreement</u>						
Millstream Ridge	(24,380)	-	-	(82,445)	-	(106,825)
Spencer Close	10,791	-	-	250,759	-	261,550
West Park	-	-	-	(89,507)	-	(89,507)
Hockley House	-	-	-	(27,068)	-	(27,068)
	(13,589)	-	-	51,739	-	38,150
<u>IHI Agreement</u>						
Westview	120,592	-	-	168,577	-	289,169
<u>No Operating</u>						
<u>Agreement</u>						
Portage Place	86,140	-	-	95,904	-	182,044
Campus View Court	58,149	-	-	74,656	-	132,805
Royal Oak Square	227,697	-	-	223,445	-	451,142
Village on the Green	630,014	-	-	66,261	-	696,275
Vergo	(539,811)	-	-	(82,897)	-	(622,708)
	462,189	-	-	377,369	-	839,558
	\$ 3,118,990	\$ -	\$ (6,196)	\$ 906,087	\$ -	\$ 4,018,881

Capital Assets

For the Year Ended December 31, 2021

	Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization	2021	2020
In Operation										
<u>Umbrella Agreement</u>										
Oakwinds	Feb/85	\$ -	\$ 830,075	\$ 2,835,407	\$ 1,519,093	\$ 47,021	\$ 5,231,596	\$ (4,862,608)	\$ 368,988	\$ 408,337
James Yates Gardens	Oct/84	103,200	-	387,934	286,319	17,467	794,920	(622,475)	172,445	170,106
Pinehurst	Feb/85	277,692	-	1,188,811	670,513	46,984	2,184,000	(1,767,967)	416,033	397,761
The Brambles	Jun/85	275,975	-	1,048,104	744,164	21,690	2,089,933	(1,704,434)	385,499	388,479
The Terraces	May/85	356,532	-	1,087,668	864,637	8,758	2,317,595	(1,848,848)	468,747	486,947
Michigan Square	Sep/85	784,763	-	1,874,991	1,481,326	15,298	4,156,378	(3,234,924)	921,454	1,051,213
Olympic View	Apr/86	900,000	-	3,288,908	2,245,343	56,459	6,490,710	(5,100,117)	1,390,593	1,449,725
Swanlea	Dec/85	230,215	-	746,556	452,891	44,407	1,474,069	(1,145,386)	328,683	303,343
Firgrove	Feb/86	480,000	-	1,763,183	1,154,554	22,974	3,420,711	(2,791,089)	629,622	641,182
Beechwood Park	Feb/86	888,000	-	2,317,623	3,029,062	44,516	6,279,201	(4,923,842)	1,355,359	1,422,119
Grey Oak Square	Apr/86	409,015	-	1,290,394	951,131	29,096	2,679,636	(2,087,267)	592,369	605,474
Willowdene	Sep/87	-	-	884,186	652,389	18,056	1,554,631	(1,429,470)	125,161	155,083
Rosewood	Oct/88	-	255,000	1,864,715	817,036	54,290	2,991,041	(2,648,943)	342,098	383,132
Gladstone	Jan/89	-	197,000	912,600	494,958	12,194	1,616,752	(1,404,256)	212,496	246,059
Camosun Place	Mar/89	-	108,000	489,700	223,759	9,708	831,167	(706,815)	124,352	141,164
Parkview	May/89	-	283,250	1,795,567	913,963	44,835	3,037,615	(2,637,504)	400,111	448,206
Carey Lane	Aug/89	-	283,250	1,443,751	916,990	47,796	2,691,787	(2,293,346)	398,441	437,762
Colquitz Green	Nov/89	-	160,250	1,504,000	783,508	40,352	2,488,110	(2,156,552)	331,558	375,179
Springtide	May/90	-	324,500	2,519,309	877,081	34,224	3,755,114	(3,233,551)	521,563	598,994
Greenlea	Feb/90	-	305,750	1,560,300	838,241	22,224	2,726,515	(2,300,218)	426,297	488,439
Arbutus View	Jul/90	-	370,250	1,592,750	963,790	91,257	3,018,047	(2,430,484)	587,563	606,136
Amberlea	May/90	-	447,501	2,578,479	864,233	58,112	3,948,325	(3,299,880)	648,445	718,850
Cloverhurst	May/90	-	197,000	651,500	237,925	26,202	1,112,627	(906,739)	205,888	212,837
Hamlet	Oct/90	-	152,000	803,000	399,693	5,640	1,360,333	(1,134,574)	225,759	266,390
Viewmont	Aug/91	-	402,140	2,378,046	811,342	26,192	3,617,720	(2,979,053)	638,667	726,975
Creekside	Apr/92	-	388,250	2,363,830	940,199	6,902	3,699,181	(3,010,092)	689,089	794,652
The Birches	Aug/92	-	675,000	3,684,874	889,860	63,725	5,313,459	(4,250,650)	1,062,809	1,157,375
The Heathers	Apr/93	-	436,279	1,974,683	430,694	10,411	2,852,067	(2,205,164)	646,903	719,625
Heron Cove	Oct/93	-	270,000	2,274,691	531,498	40,281	3,116,470	(2,441,742)	674,728	735,227
Castanea Place	Feb/95	-	1,277,000	4,841,879	1,121,397	79,900	7,320,176	(5,189,299)	2,130,877	2,281,064
Leblond Place	Sep/96	-	900,000	4,506,231	1,215,108	37,990	6,659,329	(4,539,407)	2,119,922	2,357,742
Rotary House	Nov/06	-	556,600	2,994,000	604,091	96,564	4,251,255	(2,711,982)	1,539,273	1,622,572
Cairns Park	Dec/96	-	240,000	415,314	192,157	35,526	882,997	(552,021)	330,976	328,921
Kings Place	N/A	-	-	-	679,627	33,563	713,190	(547,457)	165,733	169,410
Carillon Place	Jul/98	-	525,000	1,280,389	713,323	12,510	2,531,222	(1,598,485)	932,737	1,017,827

Capital Assets

For the Year Ended December 31, 2021

	Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization	2021	2020
Brock Place	Jan/00	-	840,000	3,465,836	1,094,896	9,250	5,409,982	(3,272,856)	2,137,126	2,319,197
Harbour Lane	Oct/01	-	825,000	3,607,266	332,360	23,170	4,787,796	(2,721,660)	2,066,136	2,178,632
Tillicum Station	Jul/02	-	948,750	4,300,764	563,198	26,738	5,839,450	(3,210,180)	2,629,270	2,776,280
Building Envelope Remediation										
Amberlea	2008	-	-	2,367,415	-	-	2,367,415	(1,976,551)	390,864	521,151
The Birches	2008	-	-	1,105,204	-	-	1,105,204	(923,863)	181,341	241,787
Heron Cove	2006	-	-	1,635,610	-	-	1,635,610	(1,252,131)	383,479	460,175
Heron Cove	2007	-	-	1,756,374	-	-	1,756,374	(1,277,084)	479,290	559,171
Castanea Place	2007	-	-	2,531,350	-	-	2,531,350	(1,660,674)	870,676	979,511
Leblond Place	2009	-	-	3,337,941	-	-	3,337,941	(2,021,309)	1,316,632	1,462,924
The Heathers	2016	-	-	1,258,358	-	-	1,258,358	(626,465)	631,893	737,209
ILBC2 Agreement										
Parry Place	Jun/08	1,400,000	-	4,794,268	230,080	31,370	6,455,718	(2,058,595)	4,397,123	4,523,797
Millstream Ridge	Feb/19	-	35,428,849	-	36,155	32,065	35,497,069	(1,789,299)	33,707,770	34,274,767
Spencer Close	Nov/20	-	30,257,330	-	-	6,819	30,264,149	(546,942)	29,717,207	30,176,997
West Park	Nov/20	-	31,253,897	-	-	6,503	31,260,400	(564,951)	30,695,449	31,206,514
Hockley House	Apr/21	-	25,409,983	-	-	1,008	25,410,991	(316,952)	25,094,039	-
IHI Agreement										
Westview	May/20	-	-	14,937,177	3,889	4,235	14,945,301	(680,498)	14,264,803	14,600,521
No Operating Agreement										
Village on the Green	May/84	910,171	-	2,002,921	968,209	684,135	4,565,436	(2,868,465)	1,696,971	1,124,019
Vergo	May/12	1,144,327	-	4,226,787	82,754	12,825	5,466,693	(1,274,019)	4,192,674	4,310,085
Portage Place	Aug/83	328,659	-	965,774	702,272	13,761	2,010,466	(1,519,775)	490,691	515,716
Campus View Court	Sep/83	341,224	-	688,111	592,590	20,415	1,642,340	(1,184,939)	457,401	463,478
Royal Oak Square	Mar/84	666,280	-	2,051,834	1,790,173	36,904	4,545,191	(3,426,708)	1,118,483	1,190,017
Buildings Under Construction										
Redevelopment Sites		-	403,473	8,663,209	-	-	9,066,682	(195,014)	8,871,668	2,113,215
Office Equipment		-	-	-	535,865	-	535,865	(507,167)	28,698	35,878
Vehicles		-	-	-	60,544	-	60,544	(60,544)	-	-
		\$ 9,496,053	\$ 134,951,377	\$ 126,839,572	\$ 37,504,880	\$ 2,172,322	\$ 310,964,204	\$ (122,633,282)	\$ 188,330,922	\$ 161,085,348

Capital Fund - Mortgages Payable

For the Year Ended December 31, 2021

Rental Property	Interest Rate	Renewal Date	Maturity Date	2021	2020
<u>Umbrella Agreement</u>					
Olympic View	-		Matured in 2021	\$ -	\$ 88,571
Firgrove	-		Matured in 2021	-	23,899
Beechwood Park	-		Matured in 2021	-	34,235
Grey Oak Square	-		Matured in 2021	-	27,083
Willowdene	2.580%		September 1, 2022	39,098	90,076
Rosewood	2.610%		November 1, 2023	227,731	342,135
Gladstone	2.610%		January 1, 2024	129,581	189,340
Camosun Place	1.860%		March 1, 2024	70,620	101,074
Parkview	1.690%		May 1, 2024	282,800	396,503
Carey Lane	1.690%		August 1, 2024	257,546	351,189
Colquitz Green	1.730%		November 1, 2024	272,943	363,422
Springtide	0.680%		May 1, 2025	535,048	689,317
Greenlea	0.690%		March 1, 2025	340,501	443,747
Arbutus View	0.680%		July 1, 2025	380,722	485,329
Amberlea	0.680%		May 1, 2025	571,582	736,384
Cloverhurst	0.680%		May 1, 2025	159,677	205,717
Hamlet	0.740%		October 1, 2025	202,318	253,602
Viewmont	1.120%		August 1, 2026	669,099	803,591
Creekside	2.600%		April 1, 2027	735,688	862,697
The Birches	2.550%	August 1, 2027	August 1, 2032	1,210,311	1,406,451
Caledonia	-		Discharged in 2021	-	652,595
The Heathers	2.600%	April 1, 2028	April 1, 2033	731,439	836,379
Heron Cove	2.610%	October 1, 2028	October 1, 2033	820,894	929,292
Castanea Place	0.690%		February 1, 2030	2,397,554	2,681,978
Leblond Place - 1st mortgage	1.280%		September 1, 2031	1,929,944	2,104,815
Leblond Place - 2nd mortgage	2.150%	March 1, 2025	March 1, 2045	2,442,600	2,522,835
Rotary House	2.510%	March 1, 2028	March 1, 2033	1,158,386	1,327,521
Cairns Park	2.589%		December 1, 2031	291,059	317,549
Carillon Place	3.220%	June 1, 2024	July 1, 2033	903,863	967,327
Brock Place	2.840%		January 1, 2035	2,488,455	2,643,524
Harbour Lane	2.200%	October 1, 2026	October 1, 2036	2,513,781	2,655,676
Tillicum Station	3.270%	July 1, 2024	July 1, 2037	3,296,450	3,456,281
<u>ILBC2 Agreement</u>					
Parry Place	3.480%	May 1, 2024	May 1, 2043	3,359,042	3,462,633
<u>RHFP Agreement</u>					
Millstream Ridge	2.860%	February 1, 2029	March 1, 2054	33,809,779	34,441,936
Spencer Close	1.519%	January 1, 2031	February 1, 2056	29,854,616	-
West Park	1.519%	January 1, 2031	February 1, 2056	30,197,138	-
Hockley House	2.459%	June 1, 2031	July 1, 2056	25,343,415	-
<u>IHI Agreement</u>					
Westview	1.631%	September 1, 2030	September 1, 2055	7,280,114	7,440,758
<u>No Operating Agreement</u>					
Village on the Green	2.250%		October 1, 2039	1,784,422	1,857,077
Vergo	3.450%	August 1, 2022	August 1, 2042	3,554,515	3,670,872
				160,242,731	79,863,410
Principal Current Portion				(6,151,134)	(4,828,667)
Principal Renewal Portion				(3,747,610)	(3,189,847)
				\$ 150,343,987	\$ 71,844,896

Capital Region Housing Corporation

Schedule E

Operating Fund: Rental Operations

For the Year Ended December 31, 2021

	Revenues					Expenditures and Interfund Transfers					Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves	
	Number of units	Tenant rent contributions	BCHMC Rental Subsidy	BCHMC fixed funding	Other	Total	Operating costs	Transfer to Replacement Reserve	Debt charges	Other Interfund Transfers			Total
Umbrella Agreement													
CMHC													
Oakwinds	50	\$ 654,520	\$ -	\$ -	\$ 1,626	\$ 656,146	\$ 274,029	\$ 103,800	\$ -	\$ -	\$ 377,829	\$ 278,317	\$ (278,317)
James Yates Gardens	8	72,796	-	-	-	72,796	42,909	16,608	-	-	59,517	13,279	(13,279)
Pinehurst	20	275,216	-	-	1,378	276,594	115,536	41,520	-	-	157,056	119,538	(119,538)
The Brambles	18	246,266	-	-	1,481	247,747	104,121	37,368	-	-	141,489	106,258	(106,258)
The Terraces	20	259,862	-	-	1,292	261,154	102,339	41,520	-	-	143,859	117,295	(117,295)
Michigan Square	62	243,289	-	-	1,730	245,019	265,340	-	-	-	265,340	(20,321)	20,321
Olympic View	60	795,368	-	17,653	3,718	816,739	322,352	124,560	88,990	-	535,902	280,837	(280,837)
Swanlea	14	194,081	-	-	1,209	195,290	99,365	29,064	-	-	128,429	66,861	(66,861)
Firgrove	32	401,771	-	3,092	1,782	406,645	151,187	66,432	24,031	-	241,650	164,995	(164,995)
Beechwood Park	48	624,171	-	4,421	7,077	635,669	244,298	99,648	34,381	-	378,327	257,342	(257,342)
Grey Oak Square	24	319,617	-	4,663	2,342	326,622	135,695	49,824	27,253	-	212,772	113,850	(113,850)
	356	4,086,957	-	29,829	23,635	4,140,421	1,857,171	610,344	174,655	-	2,642,170	1,498,251	(1,498,251)
BCHMC													
Willowdene	15	121,451	-	56,415	330	178,196	147,442	31,140	52,691	-	231,273	(53,077)	53,077
Rosewood	44	242,927	-	83,724	1,728	328,379	233,255	91,344	121,926	-	446,525	(118,146)	118,146
Gladstone	14	143,882	-	63,368	-	207,250	82,596	29,064	63,964	-	175,624	31,626	(31,626)
Camosun Place	8	85,882	-	33,432	-	119,314	46,374	16,608	32,068	-	95,050	24,264	(24,264)
Parkview	26	202,191	-	114,811	576	317,578	159,998	53,976	119,503	-	333,477	(15,899)	15,899
Carey Lane	22	188,450	-	83,364	1,082	272,896	118,918	45,672	98,835	-	263,425	9,471	(9,471)
Colquitz Green	20	181,650	-	76,584	1,120	259,354	122,555	41,520	96,028	-	260,103	(749)	749
Springtide	48	263,246	-	113,694	1,728	378,668	247,629	99,648	158,468	-	505,745	(127,077)	127,077

Capital Region Housing Corporation

Schedule E

Operating Fund: Rental Operations

For the Year Ended December 31, 2021

	Revenues						Expenditures and Interfund Transfers					Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves
	Number of units	Tenant rent contributions	BCHMC Rental Subsidy	BCHMC fixed funding	Other	Total	Operating costs	Transfer to Replacement Reserve	Debt charges	Other Interfund Transfers	Total		
Greenlea	21	171,961	-	42,863	661	215,485	124,927	43,596	105,977	-	274,500	(59,015)	59,015
Arbutus View	23	196,995	-	49,745	176	246,916	120,642	47,748	107,576	-	275,966	(29,050)	29,050
Amberlea	44	294,651	-	113,742	1,509	409,902	241,197	91,344	169,288	-	501,829	(91,927)	91,927
Cloverhurst	10	65,007	-	41,337	-	106,344	54,400	20,760	47,292	-	122,452	(16,108)	16,108
Hamlet	10	112,917	-	49,922	-	162,839	63,338	20,760	53,836	-	137,934	24,905	(24,905)
Viewmont	36	187,173	-	165,305	1,546	354,024	170,979	74,736	150,907	-	396,622	(42,598)	42,598
Creekside	24	224,803	-	111,686	470	336,959	138,165	49,824	147,813	-	335,802	1,157	(1,157)
The Birches	56	297,710	-	163,537	2,060	463,307	231,459	116,256	229,534	-	577,249	(113,942)	113,942
Caledonia	18	944	-	79,981	26	80,951	52,948	-	97,439	-	150,387	(69,436)	69,436
The Heathers	26	156,241	-	108,372	1,271	265,884	138,661	53,976	125,324	-	317,961	(52,077)	52,077
Heron Cove	24	184,406	-	63,582	726	248,714	107,966	49,824	131,230	-	289,020	(40,306)	40,306
Castanea Place	59	381,334	-	186,164	1,442	568,940	312,509	122,484	302,000	-	736,993	(168,053)	168,053
Leblond Place	43	258,866	-	339,450	1,246	599,562	267,272	89,268	353,519	-	710,059	(110,497)	110,497
Rotary House	41	235,104	-	216,649	40	451,793	265,408	85,116	200,345	-	550,869	(99,076)	99,076
	632	4,197,791	-	2,357,727	17,737	6,573,255	3,448,638	1,274,664	2,965,563	-	7,688,865	(1,115,610)	1,115,610
Homes BC													
Cairns Park	6	50,611	-	22,430	-	73,041	36,308	12,456	31,658	-	80,422	(7,381)	7,381
Kings Place	35	377,219	-	152,041	1,137	530,397	450,323	72,660	-	-	522,983	7,414	(7,414)
Carillon Place	15	188,595	-	33,478	150	222,223	87,921	31,140	93,480	-	212,541	9,682	(9,682)
Brock Place	30	350,480	-	78,252	2,863	431,595	163,659	62,280	227,708	-	453,647	(22,052)	22,052
Harbour Lane	28	289,941	-	88,749	3,111	381,801	169,599	58,128	198,635	-	426,362	(44,561)	44,561
Tillicum Station	40	475,931	-	95,884	765	572,580	219,547	83,037	269,723	-	572,307	273	(273)
	154	1,732,777	-	470,834	8,026	2,211,637	1,127,357	319,701	821,204	-	2,268,262	(56,625)	56,625
	1,142	10,017,525	-	2,858,390	49,398	12,925,313	6,433,166	2,204,709	3,961,422	-	12,599,297	326,016	(326,016)

Capital Region Housing Corporation

Schedule E

Operating Fund: Rental Operations

For the Year Ended December 31, 2021

	Revenues					Expenditures and Interfund Transfers					Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves	
	Number of units	Tenant rent contributions	BCHMC Rental Subsidy	BCHMC fixed funding	Other	Total	Operating costs	Transfer to Replacement Reserve	Debt charges	Other Interfund Transfers			Total
ILBC2 Agreement													
Parry Place	21	313,233	330,338	-	10,057	653,628	433,046	16,600	221,596	-	671,242	(17,614)	17,614
RHFP Agreement													
Millstream Ridge	132	2,116,189	-	-	40,440	2,156,629	595,356	114,048	1,599,670	(70,000)	2,239,074	(82,445)	82,445
Spencer Close	130	1,727,959	-	-	35,705	1,763,664	540,462	112,320	1,066,766	(206,643)	1,512,905	250,759	(250,759)
West Park	152	1,188,346	-	-	25,965	1,214,311	568,320	131,328	1,079,004	(474,834)	1,303,818	(89,507)	89,507
Hockley House	120	686,428	-	-	12,601	699,029	377,106	77,760	596,859	(325,628)	726,097	(27,068)	27,068
	534	5,718,922	-	-	114,711	5,833,633	2,081,244	435,456	4,342,299	(1,077,105)	5,781,894	51,739	(51,739)
IHI Agreement													
Westview	73	815,063	-	-	19,680	834,743	322,910	63,072	280,184	-	666,166	168,577	(168,577)
No Operating Agreement													
Portage Place	17	216,401	-	-	360	216,761	85,640	35,217	-	-	120,857	95,904	(95,904)
Campus View Court	12	164,263	-	-	1,440	165,703	66,188	24,859	-	-	91,047	74,656	(74,656)
Royal Oak Square	38	510,465	-	-	1,423	511,888	199,428	78,719	10,296	-	288,443	223,445	(223,445)
Village on the Green	38	447,806	-	-	3,153	450,959	175,717	78,719	130,262	-	384,698	66,261	(66,261)
Vergo	18	278,461	-	-	-	278,461	84,127	37,288	239,943	-	361,358	(82,897)	82,897
	123	1,617,396	-	-	6,376	1,623,772	611,100	254,802	380,501	-	1,246,403	377,369	(377,369)
	1,893	\$18,482,139	\$ 330,338	\$ 2,858,390	\$ 200,222	\$ 21,871,089	\$ 9,881,466	\$ 2,974,639	\$ 9,186,002	\$ (1,077,105)	\$ 20,965,002	\$ 906,087	\$ (906,087)