

Capital Region Housing Corporation

Financial Statements

December 31, 2024

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December 31, 2024

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INDEPENDENT AUDITOR'S 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, 2024
- 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, 2024, 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 "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



Other Information

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

- the information, other than the financial statements and the auditor's 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 auditor's report thereon, included in the Annual Report as at the date of this auditor's 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 auditor's 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.

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 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 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.
- 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

_____, 2025

Capital Regional District 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 Board of Directors are responsible for approving the financial statements and for ensuring that management fulfills its responsibilities for financial reporting and internal control.

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, 2024.

On behalf of Capital Regional District and Capital Region Housing Corporation,

Nelson Chan, MBA, CPA, CMA
Chief Financial Officer
May 14, 2025

Capital Region Housing Corporation

Statement 1

Statement of Financial Position

As at December 31, 2024

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 18,778,037	\$ 14,903,603
Accounts receivable	7,017,377	6,031,343
Prepaid expenses	853,311	890,568
	26,648,725	21,825,514
Cash and cash equivalents restricted for replacement reserve (Note 3)	7,474,808	8,543,170
Capital assets (Note 4 and Schedule C)	300,820,662	262,404,263
	\$ 334,944,195	\$ 292,772,947
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	6,615,555	7,154,414
Accrued mortgage interest	416,373	381,220
Due to Capital Regional District	1,470,186	284,633
Deferred revenue	749,300	743,487
Security deposits	1,224,668	1,214,931
Short-term capital financing (Note 5)	39,117,653	27,454,719
Mortgages payable principal current portion (Note 6 and Schedule D)	5,959,718	6,193,511
Mortgages payable principal renewal portion (Note 6 and Schedule D)	3,556,168	8,233,676
	59,109,621	51,660,591
Mortgages payable (Note 6 and Schedule D)	181,523,387	161,065,397
Asset retirement obligations (Note 7)	9,987,872	9,521,426
Capital stock (Note 8)	1	1
Net assets:		
Invested in capital assets (Note 9)	68,939,223	56,115,448
Externally restricted (Note 10)	11,908,022	11,921,941
Internally restricted (Note 10)	1,248,911	1,106,227
Unrestricted: Corporation stabilization reserve (Note 11)	2,512,794	1,855,850
	84,608,950	70,999,466
Accumulated remeasurement losses	(285,636)	(473,934)
	84,323,314	70,525,532
	\$ 334,944,195	\$ 292,772,947

Commitments and contingencies (Note 12)

See accompanying notes to the financial statements.

On behalf of the Board:

Director

Director

Statement of Operations

For the Year Ended December 31, 2024

	Operating Funds		Restricted Funds			
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund	Total 2024	Total 2023
Revenues:						
Tenant rent contributions	\$ -	\$24,955,692	\$ -	\$ -	\$ 24,955,692	\$23,002,135
BCHMC rent subsidy assistance	-	1,146,240	-	-	1,146,240	710,400
BCHMC umbrella operating agreement funding	-	2,420,616	-	-	2,420,616	2,674,751
Rental management fees - third parties	21,828	-	-	-	21,828	63,342
Investment income	305,054	-	355,915	526,076	1,187,045	1,181,831
Guest suites, net	974	-	-	-	974	1,801
Miscellaneous	53,088	274,877	-	-	327,965	314,965
Government contributions (Note 12d)	-	-	10,765,113	-	10,765,113	16,135,301
	380,944	28,797,425	11,121,028	526,076	40,825,473	44,084,526
Expenses:						
Administration and property management	3,542,539	-	-	-	3,542,539	3,275,841
Amortization	-	-	8,726,790	-	8,726,790	8,181,223
Accretion	-	-	397,043	-	397,043	377,533
Property taxes	-	4,500	-	-	4,500	33,806
Insurance	-	1,626,313	-	-	1,626,313	1,464,647
Maintenance	-	2,089,373	-	-	2,089,373	2,099,650
Caretakers	-	2,265,098	-	-	2,265,098	2,009,149
Landscape	-	420,520	-	-	420,520	422,936
Electricity	-	383,207	-	-	383,207	368,374
Land and improvement leases	-	307,137	-	-	307,137	307,137
Water	-	1,671,879	-	-	1,671,879	1,403,759
Oil and gas	-	193,316	-	-	193,316	240,871
Garbage	-	403,074	-	-	403,074	466,901
Rental management fee	(3,545,050)	3,545,050	-	-	-	-
Audit and legal	-	44,432	-	-	44,432	41,438
Miscellaneous	-	224,691	-	-	224,691	190,446
Hospitality services (Parry Place)	-	496,552	-	-	496,552	492,595
Interest on mortgages payable	-	4,419,525	-	-	4,419,525	4,163,763
	(2,511)	18,094,667	9,123,833	-	27,215,989	25,540,069
Excess of revenues over expenses	\$ 383,455	\$10,702,758	\$ 1,997,195	\$ 526,076	\$ 13,609,484	\$ 18,544,457

See accompanying notes to the financial statements.

Statement of Changes in Net Assets & Remeasurement Gains & Losses

For the Year Ended December 31, 2024

	Operating Funds		Restricted Funds					
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund	Remeasurement Gains / (Losses)	Total 2024	Total 2023	
Net assets, beginning of year	\$ 1,935,272	\$ 4,405,576	\$ 56,115,448	\$ 8,543,170	\$ (473,934)	\$ 70,525,532	\$ 51,819,943	
Excess of revenues over expenses	383,455	10,702,758	1,997,195	526,076	-	13,609,484	18,544,457	
Interfund transfers:								
Mortgage principal repayments	-	(6,411,907)	6,411,907	-	-	-	-	
Replacement reserve transfers	-	(3,094,735)	-	3,094,735	-	-	-	
Replacement reserve expenditures	274,500	-	4,414,673	(4,689,173)	-	-	-	
	274,500	(9,506,642)	10,826,580	(1,594,438)	-	-	-	
Unrealized gain (loss) on investments	-	-	-	-	188,298	188,298	161,132	
Net assets, end of year	\$ 2,593,227	\$ 5,601,692	\$ 68,939,223	\$ 7,474,808	\$ (285,636)	\$ 84,323,314	\$ 70,525,532	

See accompanying notes to the financial statements.

Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	\$ 13,609,484	\$ 18,544,457
Items not involving cash:		
Amortization	8,726,790	8,181,223
Accretion	397,043	377,533
Changes in non-cash assets and liabilities:		
(Increase) in accounts receivable	(986,034)	(3,143,432)
Decrease (increase) in inventory and prepaid expenses	37,257	(193,254)
(Decrease) increase in accounts payable and accrued liabilities	(538,860)	3,140,214
Increase in accrued mortgage interest	35,153	44,245
Increase in deferred revenue	5,813	151,783
Increase in security deposits	9,737	73,823
Increase (decrease) due to Capital Regional District	1,185,553	(140,785)
Net change in cash from operating activities	22,481,936	27,035,807
Investing activities:		
Decrease (increase) in restricted cash and cash equivalents	1,256,660	(213,994)
Decrease in investments	-	6,500,000
Net change in cash from investing activities	1,256,660	6,286,006
Capital activities:		
Acquisition of capital assets	(47,073,786)	(51,953,838)
Net change in cash from capital activities	(47,073,786)	(51,953,838)
Financing activities:		
Repayment of mortgages payable	(7,958,159)	(6,472,741)
Proceeds from mortgages payable	23,504,064	23,360,805
Repayment of short term capital financing	(14,048,786)	(13,933,727)
Proceeds from short term capital financing	25,712,505	20,231,002
	27,209,624	23,185,339
Net change in cash and cash equivalents	3,874,434	4,553,314
Cash and cash equivalents, beginning of year	14,903,603	10,350,289
Cash and cash equivalents, end of year	\$ 18,778,037	\$ 14,903,603

See accompanying notes to the financial statements.

Capital Region Housing Corporation

Notes to the Financial Statements

For the Year Ended December 31, 2024

General

The Capital Region Housing Corporation (the "Corporation") is incorporated under the laws of British Columbia and its principal activities include the acquisition, construction, and 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. The Corporation allocates administration and property management costs incurred in the Corporation Operating Fund to the Rental Housing Operating Fund through Rental management fees.

ii. Capital Fund

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

1. Significant Accounting Policies (continued)

b. Fund Accounting (continued)

iii. Replacement Reserve Fund

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.

c. Asset Retirement Obligations

An asset retirement obligation (ARO) is a legal obligation to incur costs to retire a tangible capital asset in a future period. AROs are measured at the present value of expected future cash flows including an estimate for inflation. Future cash flows are based on the best information available at the financial reporting date. Accretion expense is recorded annually to reflect the cost associated with an increase in the present value of the ARO over time. The carrying amount of the liability is reassessed annually and updated as new information becomes available. Changes in estimates are recorded prospectively and the liability is derecognized when retirement activities are completed.

The asset retirement cost at initial recognition is capitalized along with the related tangible capital asset and amortized in accordance with the Corporation's tangible capital asset policy Note 1 d).

d. 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	5-10 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.

1. Significant Accounting Policies (continued)

e. Debt Retirement

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

f. 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.

In 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. In 2024, the building at 334 Michigan was removed from the Umbrella Agreement and moved to the CRHC No Operating Agreement portfolio, and its corresponding Replacement Reserve balance was moved to the CRHC No Operating Agreement Replacement Reserve. No transfer was made between Portfolio Stabilization Reserves. As a result of these changes, the Umbrella Agreement now contains 37 buildings and 1,062 units.

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

1. Significant Accounting Policies (continued)

f. Operating Agreements (continued)

i. Umbrella (continued)

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 one-time 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.

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. Community Housing Fund

The Corporation has entered into 60-year agreements with BCHMC under the Community Housing Fund (CHF) program. Capital funding was provided in the form of forgivable loans to facilitate the construction of buildings under these agreements. Operating subsidies is provided as approved in the annual building operating budget.

1. Significant Accounting Policies (continued)

f. Operating Agreements (continued)

vi. 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.

g. 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 0.84% (2023: average prime minus 1.31%).

h. Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Derivative instruments, bonds, bond funds, 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.

i. 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. Estimates and assumptions include amortization of capital assets and discount and inflationary rates used to determine ARO balances. Actual results could differ from those estimates.

2. Adoption of New Accounting Standard

On January 1, 2024, the Corporation adopted Public Sector Accounting Standard PS 3400 Revenue (PS 3400) on a prospective basis. The new accounting standard provides direction on accounting for revenues that are not in scope of other existing standards. All revenue streams in scope of PS 3400 have historically been accounted for in accordance with the new standards and as a result there was no impact to net debt, accumulated surplus, or annual surplus on adoption.

3. Cash and Cash Equivalents

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 Funds. See Schedule A for details of cash and cash equivalents restricted for replacement reserve.

4. Capital Assets

December 31, 2024	Cost	Accumulated Amortization	Net Book Value
Land	\$ 9,496,053	\$ -	\$ 9,496,053
Prepaid leases	148,181,402	16,575,254	131,606,148
Buildings	241,774,624	94,073,555	147,701,069
Equipment and other	49,550,448	37,533,056	12,017,392
	\$ 449,002,527	\$ 148,181,865	\$ 300,820,662

December 31, 2023	Cost	Accumulated Amortization	Net Book Value
Land	\$ 9,496,053	\$ -	\$ 9,496,053
Prepaid leases	148,181,402	14,089,236	134,092,166
Buildings	199,057,658	90,278,565	108,779,093
Equipment and other	45,124,225	35,087,274	10,036,951
	\$ 401,859,338	\$ 139,455,075	\$ 262,404,263

5. Short-term capital financing

Short-term capital financing of \$39,117,653 (2023: \$27,454,719) is provided by BCHMC at a variable rate based on that charged to them by the Ministry of Finance plus an administrative spread. The short-term debt is converted to a long-term mortgage at the completion of each construction project. In 2024, \$23,504,064 of short-term capital financing was converted to long-term mortgage at the completion of the Michigan Square construction project.

6. 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 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
	2025	\$ 9,515,886	\$ 6,176,087
	2026	7,351,259	5,979,083
	2027	12,315,416	5,854,817
	2028	4,772,979	5,536,728
	2029	\$ 33,078,966	\$ 5,472,485

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.

7. Asset Retirement Obligations

The Corporation owns buildings that contain hazardous materials including asbestos and lead. There is a legal obligation to remove these materials in a prescribed manner when they are disturbed. These costs are expected to be incurred over the next 16 years as buildings are demolished or renovated. The retirement costs are estimated to include all costs directly attributable to the abatement of the hazardous materials, including overhead costs.

The Corporation uses the Municipal Finance Authority (MFA) long-term borrowing rate as the discount rate. The 10-year average B.C. consumer price index rate is used to estimate inflation and aligns with the Bank of Canada's target inflation range of 1.00% to 3.00%.

	2023	ARO Additions	ARO Settlements	Revisions to Estimate	Accretion Expense	2024
Hazardous Materials	\$ 9,521,426	\$ -	\$ -	\$ 69,402	\$ 397,043	\$ 9,987,872

Estimated cash flows have been discounted to present value. Discount and inflation rates in the future are estimates and subject to change. These changes can impact ARO values significantly when being applied over an extended duration.

	2024	2023
Discount Rate	4.27%	4.17%
Inflation rate	2.70%	2.54%
Settlement Timing	9 to 16 years	10 to 17 years

8. 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.

9. Invested in Capital Assets

Investment in capital assets is calculated as follows:

	December 31, 2024	December 31, 2023
Capital assets	\$ 300,820,662	\$ 262,404,263
Accounts receivable	6,575,092	5,516,825
Interfund due from rental housing operating fund	1,688,267	553,905
Prepaid expense	-	109,184
Mortgages payable	(191,039,273)	(175,492,584)
Short-term capital financing	(39,117,653)	(27,454,719)
Asset retirement obligations	(9,987,872)	(9,521,426)
	\$ 68,939,223	\$ 56,115,448

10. Restricted Net Assets

Externally restricted net assets:

	December 31, 2024	December 31, 2023
Replacement reserve fund	\$ 7,474,808	\$ 8,543,170
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,949)
Portfolio stabilization reserve - umbrella agreement	3,490,844	2,903,312
Portfolio stabilization reserve - ILBC2 agreement	(264,340)	(333,578)
Portfolio stabilization reserve - RHFP agreement	601,607	369,478
Portfolio stabilization reserve - IHI	629,186	479,065
Portfolio stabilization reserve - CHF	(20,134)	(35,557)
	\$ 11,908,022	\$ 11,921,941

10. Restricted Net Assets (continued)

Internally restricted net assets:

	December 31, 2024	December 31, 2023
Portfolio stabilization reserve - no operating agreement	\$ 1,168,478	\$ 1,026,805
Guest suite surplus	42,475	41,502
Vehicle replacement reserve	16,430	17,863
Equipment replacement reserve	21,528	20,057
	\$ 1,248,911	\$ 1,106,227

Rental housing operating fund balance:

	December 31, 2024	December 31, 2023
Portfolio stabilization reserve - umbrella agreement	\$ 3,490,844	\$ 2,903,312
Portfolio stabilization reserve - ILBC2 agreement	(264,340)	(333,578)
Portfolio stabilization reserve - RHFP agreement	601,607	369,478
Portfolio stabilization reserve - IHI agreement	629,186	479,065
Portfolio stabilization reserve - CHF agreement	(20,134)	(35,557)
Portfolio stabilization reserve - no operating agreement	1,168,478	1,026,805
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,949)
	\$ 5,601,692	\$ 4,405,576

The Portfolio stabilization reserves are detailed in Schedule B.

11. Unrestricted Net Assets

Unrestricted net assets - corporation stabilization reserve:

	December 31, 2024	December 31, 2023
Operating net assets, ending balance	\$ 2,593,227	\$ 1,935,272
Less: Internally restricted net assets		
Guest suite surplus	(42,475)	(41,502)
Vehicle replacement reserve	(16,430)	(17,863)
Equipment replacement reserve	(21,528)	(20,057)
	\$ 2,512,794	\$ 1,855,850

12. 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 \$nil (2023: \$205,842) 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 25-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.

On April 17, 2023, as part of the RHFP, the CRD purchased Prosser Place and entered into a 60-year prepaid lease in the amount of \$12,289,721 and a 35-year operator agreement with the Corporation. The Corporation secured 35-year mortgage financing to fund the prepaid lease.

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 \$244,137 and are based on the annual mortgage payments.

12. 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. In 2023, BCHMC entered into an agreement with the Corporation to fund the Carey Lane BER with a 35-year forgivable mortgage of \$5,450,000.

d. Government Contributions

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.

13. 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, 2023, the Plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 63 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, 2021 indicated a \$3,761 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, 2024 were \$292,881 (2023: \$291,414). The next valuation will be as at December 31, 2024, with results available in 2025.

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.

14. 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, and investments. 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, 2024 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, 2024 is \$0 (2023: \$0). There have been no significant changes to the credit risk exposure from 2023.

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 6. There have been no significant changes to the liquidity risk exposure from 2023.

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 2023.

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 Fund where changes in fair value have parallel changes in unrealized gains or losses until realized on disposal.

14. Financial Risks and Concentration of Risk (continued)

c. Market risk: (continued)

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, 2024 there are nine properties which do not receive subsidy assistance based on mortgage interest rates: Vergo, Royal Oak Square, Millstream Ridge, Westview, Spencer Close, West Park, Hockley House, Prosser Place, and 330 Michigan. These properties will be subject to interest rate risk upon renewal. Short-term capital financing is provided at variable interest rates and capital projects are subject to interest rate risk during construction. There have been no significant changes to interest rate risk from 2023.

15. Impact of Tariffs

The imposition of U.S. tariffs on cross-border trade will result in increased costs for goods and services procured from U.S. suppliers, impacting operations and infrastructure projects. While the long-term impact remains uncertain, the Corporation is actively working to monitor and mitigate the risks and impacts of the tariffs.

Changes in Replacement Reserve Fund

For the Year Ended December 31, 2024

	Balance at December 31 2023	Transfer from Rental Operating Fund	Interest	Administration Allocation	Transfer to Capital Fund	2024
<u>Umbrella Agreement</u>						
Oakwinds	\$ 989,892	\$ 103,800	\$ 58,000	\$ (2,537)	\$ (35,108)	\$ 1,114,047
James Yates Gardens	150,875	16,608	4,287	(4,944)	(162,216)	4,610
Pinehurst	(393,867)	41,520	-	(5,394)	(452,237)	(809,978)
The Brambles	210,001	37,368	11,386	(6,419)	(49,322)	203,014
The Terraces	731,168	41,520	41,825	(8,953)	(19,586)	785,974
Olympic View	117,830	124,560	-	(52,641)	(1,625,091)	(1,435,342)
Swanlea	192,475	29,064	11,247	(6,998)	(10,307)	215,481
Firgrove	87,952	66,432	5,814	(4,896)	(32,367)	122,935
Beechwood Park	162,581	99,648	9,366	(14,997)	(79,453)	177,145
Grey Oak Square	67,645	49,824	4,018	(5,438)	(37,932)	78,117
Willowdene	47,700	31,140	2,356	(3,048)	(40,373)	37,775
Rosewood	242,428	91,344	14,828	(2,720)	(50,451)	295,429
Gladstone	81,231	29,064	5,068	(3,273)	(9,471)	102,619
Camosun Place	82,456	16,608	4,936	(2,050)	(5,351)	96,599
Parkview	102,479	53,976	6,478	(2,923)	(27,520)	132,490
Carey Lane	(35,856)	45,672	-	(3,300)	(9,316)	(2,800)
Colquitz Green	1,375	41,520	-	(6,284)	(55,044)	(18,433)
Springtide	138,268	99,648	9,904	(3,373)	(23,477)	220,970
Greenlea	44,551	43,596	3,024	(3,375)	(22,652)	65,144
Arbutus View	(34,655)	47,748	-	(2,903)	(43,492)	(33,302)
Amberlea	347,334	91,344	19,876	(5,069)	(79,849)	373,636
Cloverhurst	80,396	20,760	3,422	(5,098)	(55,747)	43,733
Hamlet	(16,533)	20,760	-	(1,592)	(23,416)	(20,781)
Viewmont	265,584	74,736	16,777	(3,879)	(10,229)	342,989
Creekside	(5,489)	49,824	-	(3,216)	(87,708)	(46,589)
The Birches	192,101	116,256	1,915	(17,897)	(415,007)	(122,632)
Caledonia	19,506	-	1,106	-	-	20,612
The Heathers	202,163	53,976	11,220	(3,427)	(59,100)	204,832
Heron Cove	174,125	49,824	10,692	(2,604)	(18,331)	213,706
Castanea Place	455,805	122,484	28,286	(3,937)	(32,422)	570,216
Leblond Place	15,598	89,268	1,994	(3,526)	(46,596)	56,738
Rotary House	63,932	85,116	3,720	(3,115)	(78,650)	71,003
Cairns Park	(14,017)	12,456	-	(1,738)	(11,517)	(14,816)
Kings Place	68,953	72,660	3,369	(2,879)	(88,839)	53,264
Carillon Place	66,691	31,140	4,145	(3,496)	(14,807)	83,673
Brock Place	114,381	62,280	6,417	(8,104)	(56,599)	118,375
Harbour Lane	382,666	58,128	22,633	(6,309)	(18,860)	438,258
Tillicum Station	401,327	83,037	24,205	(3,136)	(28,799)	476,634
	5,801,052	2,204,709	352,314	(225,488)	(3,917,242)	4,215,345
<u>ILBC2 Agreement</u>						
Parry Place	173,119	16,600	9,720	(4,429)	(15,543)	179,467
<u>No Operating Agreement</u>						
Village on the Green	(183,604)	78,719	-	(2,816)	(1,888)	(109,589)
Vergo	131,866	37,288	7,944	(4,826)	(15,991)	156,281
Portage Place	245,003	35,217	13,833	(7,887)	(29,385)	256,781
Campus View Court	200,319	24,859	11,665	(2,213)	(11,808)	222,822
Royal Oak Square	203,406	78,719	11,737	(3,910)	(67,630)	222,322
334 Michigan	354,866	-	19,980	(1,299)	(3,672)	369,875
	951,856	254,802	65,159	(22,951)	(130,374)	1,118,492

Changes in Replacement Reserve Fund

For the Year Ended December 31, 2024

	Balance at December 31 2023	Transfer from Rental Operating Fund	Interest	Administration Allocation	Transfer to Capital Fund	2024
<u>RHFP Agreement</u>						
Millstream Ridge	449,158	114,048	26,537	(7,554)	(68,748)	513,441
Spencer Close	303,436	112,320	16,810	(3,932)	(122,332)	306,302
West Park	360,756	131,328	23,147	(1,688)	(34,746)	478,797
Hockley House	269,799	103,680	16,002	(4,454)	(74,397)	310,630
Prosser Place	34,653	44,064	3,164	(265)	(1,513)	80,103
330 Michigan	-	-	-	(774)	(6,843)	(7,617)
	1,417,802	505,440	85,660	(18,667)	(308,579)	1,681,656
<u>IHI Agreement</u>						
Westview	151,142	63,072	10,011	(1,426)	(10,807)	211,992
<u>CHF Agreement</u>						
Twenty-Seven Eighty-Two	48,199	50,112	3,212	(1,099)	(32,128)	68,296
332 Michigan	-	-	-	(440)	-	(440)
	48,199	50,112	3,212	(1,539)	(32,128)	67,856
	\$ 8,543,170	\$ 3,094,735	\$ 526,076	\$ (274,500)	\$ (4,414,673)	\$ 7,474,808

Changes in Portfolio Stabilization Reserves

For the Year Ended December 31, 2024

	Balance at December 31, 2023	Reimburse BCHMC	Transfer (to) Replacement Reserve Fund	Transfer from/(to) Rental Operating Fund	Transfer (to) Capital Fund	Balance at December 31, 2024
			(Schedule A)	(Schedule E)		
UOA						
CMHC	\$ 9,935,468	\$ -	\$ -	\$ 1,774,655	\$ -	\$ 11,710,123
BCHMC	(6,596,804)	-	-	(1,157,954)	-	(7,754,758)
Homes BC	(435,352)	-	-	(29,169)	-	(464,521)
	2,903,312	-	-	587,532	-	3,490,844
ILBC2						
Parry Place	(333,578)	-	-	69,238	-	(264,340)
RHFP						
Millstream Ridge	(508,385)	-	-	(163,073)	-	(671,458)
Spencer Close	674,997	-	-	151,387	-	826,384
West Park	151,017	-	-	270,837	-	421,854
Hockley House	14,953	-	-	(46,347)	-	(31,394)
Prosser Place	36,896	-	-	98,507	-	135,403
330 Michigan	-	-	-	(79,182)	-	(79,182)
	369,478	-	-	232,129	-	601,607
IHI						
Westview	479,065	-	-	150,121	-	629,186
CHF						
Twenty-Seven Eighty-Two	(35,557)	-	-	63,101	-	27,544
332 Michigan	-	-	-	(47,678)	-	(47,678)
	(35,557)	-	-	15,423	-	(20,134)
NOA						
Portage Place	365,068	-	-	108,375	-	473,443
Campus View Court	294,107	-	-	79,983	-	374,090

Changes in Portfolio Stabilization Reserves

For the Year Ended December 31, 2024

	Balance at December 31, 2023	Reimburse BCHMC	Transfer (to) Replacement Reserve Fund	Transfer from/(to) Rental Operating Fund	Transfer (to) Capital Fund	Balance at December 31, 2024
			(Schedule A)	(Schedule E)		
Royal Oak Square	341,647	-	-	(5,148)	-	336,499
Village on the Green	887,637	-	-	46,749	-	934,386
334 Michigan	-	-	-	25,753	-	25,753
Vergo	(861,654)	-	-	(114,039)	-	(975,693)
	1,026,805	-	-	141,673	-	1,168,478
	\$ 4,409,525	\$ -	\$ -	\$ 1,196,116	\$ -	\$ 5,605,641

Capital Assets

For the Year Ended December 31, 2024

		Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization	2024	2023
In Operation											
<u>Umbrella Agreement</u>											
Oakwinds	Feb/85	\$	-	\$ 830,075	\$ 3,158,143	\$ 1,731,982	\$ 35,108	\$ 5,755,308	\$ (5,311,650)	\$ 443,658	\$ 499,770
James Yates Gardens	Oct/84		103,200	-	431,227	339,969	162,216	1,036,612	(709,637)	326,975	196,764
Pinehurst	Feb/85		277,692	-	1,323,328	1,663,300	452,237	3,716,557	(2,226,925)	1,489,632	1,271,144
The Brambles	Jun/85		275,975	-	1,178,876	835,201	49,322	2,339,374	(1,860,363)	479,011	461,929
The Terraces	May/85		356,532	-	1,249,544	880,086	19,586	2,505,748	(1,998,461)	507,287	507,650
Olympic View	Apr/86		900,000	-	3,735,252	2,585,927	1,625,091	8,846,270	(5,849,658)	2,996,612	1,646,530
Swanlea	Dec/85		230,215	-	851,990	520,253	10,307	1,612,765	(1,263,409)	349,356	357,588
Firgrove	Feb/86		480,000	-	1,980,946	1,332,560	32,367	3,825,873	(3,036,830)	789,043	807,293
Beechwood Park	Feb/86		888,000	-	2,317,930	3,169,548	79,453	6,454,931	(5,194,622)	1,260,309	1,264,001
Grey Oak Square	Apr/86		409,015	-	1,281,154	1,063,096	37,932	2,791,197	(2,206,374)	584,823	586,105
Willowdene	Sep/87		-	-	884,186	730,246	40,373	1,654,805	(1,531,238)	123,567	109,038
Rosewood	Oct/88		-	255,000	1,864,715	982,448	50,451	3,152,614	(2,845,328)	307,286	307,157
Gladstone	Jan/89		-	197,000	912,600	551,586	9,471	1,670,657	(1,518,929)	151,728	162,593
Camosun Place	Mar/89		-	108,000	489,700	261,583	5,351	864,634	(773,900)	90,734	98,400
Parkview	May/89		-	283,250	2,001,474	1,097,789	27,520	3,410,033	(2,989,194)	420,839	445,620
Carey Lane	Aug/89		-	283,250	1,432,359	1,101,188	9,316	2,826,113	(2,523,679)	302,434	343,956
Colquitz Green	Nov/89		-	160,250	1,504,358	875,800	55,044	2,595,452	(2,358,817)	236,635	220,518
Springtide	May/90		-	324,500	2,804,054	1,157,364	23,477	4,309,395	(3,746,238)	563,157	683,790
Greenlea	Feb/90		-	305,750	1,560,300	935,220	22,652	2,823,922	(2,553,333)	270,589	330,582
Arbutus View	Jul/90		-	370,250	1,591,611	1,138,706	43,492	3,144,059	(2,756,839)	387,220	448,206
Amberlea	May/90		-	447,501	2,578,506	1,056,973	79,849	4,162,829	(3,708,016)	454,813	513,164
Cloverhurst	May/90		-	197,000	651,500	282,867	55,747	1,187,114	(1,013,342)	173,772	155,878
Hamlet	Oct/90		-	152,000	803,000	456,943	23,416	1,435,359	(1,271,473)	163,886	188,157
Viewmont	Aug/91		-	402,140	2,377,550	907,660	10,229	3,697,579	(3,313,877)	383,702	482,218
Creekside	Apr/92		-	388,250	2,363,830	1,085,360	87,708	3,925,148	(3,359,111)	566,037	605,438
The Birches	Aug/92		-	675,000	3,697,965	1,137,490	415,007	5,925,462	(4,803,442)	1,122,020	923,597
The Heathers	Apr/93		-	436,279	1,974,683	558,703	59,100	3,028,765	(2,485,333)	543,432	583,277
Heron Cove	Oct/93		-	270,000	2,274,691	632,338	18,331	3,195,360	(2,742,493)	452,867	534,710
Castanea Place	Feb/95		-	1,277,000	4,841,879	1,436,679	32,422	7,587,980	(5,907,438)	1,680,542	1,891,276
Leblond Place	Sep/96		-	900,000	4,506,231	1,388,659	46,596	6,841,486	(5,258,261)	1,583,225	1,760,982
Rotary House	Nov/06		-	556,600	2,994,000	861,182	78,650	4,490,432	(3,294,834)	1,195,598	1,317,345
Cairns Park	Dec/96		-	240,000	415,314	235,370	11,517	902,201	(646,576)	255,625	273,638
Kings Place	N/A		-	-	-	894,987	88,839	983,826	(695,295)	288,531	260,723
Carillon Place	Jul/98		-	525,000	1,277,793	772,492	14,807	2,590,092	(1,855,427)	734,665	801,654
Brock Place	Jan/00		-	840,000	3,465,836	1,177,237	56,598	5,539,671	(3,795,619)	1,744,052	1,859,358

Capital Assets

For the Year Ended December 31, 2024

	Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization	2024	2023
Harbour Lane	Oct/01	-	825,000	3,607,266	383,402	18,860	4,834,528	(3,127,504)	1,707,024	1,822,200
Tillicum Station	Jul/02	-	948,750	4,300,764	688,009	28,799	5,966,322	(3,740,318)	2,226,004	2,373,898
Building Envelope Remediation		-	-	-	-	-	-	-	-	-
Amberlea	2008	-	-	2,367,415	-	-	2,367,415	(2,367,415)	-	130,287
Cloverhurst	2008	-	-	1,105,204	-	-	1,105,204	(1,105,204)	-	60,446
The Birches	2006	-	-	1,635,610	-	-	1,635,610	(1,482,192)	153,418	230,088
Heron Cove	2007	-	-	1,756,374	-	-	1,756,374	(1,516,684)	239,690	319,525
Castanea Place	2007	-	-	2,531,350	-	-	2,531,350	(1,987,217)	544,133	653,008
Leblond Place	2009	-	-	3,337,941	-	-	3,337,941	(2,460,083)	877,858	1,024,045
The Heathers	2016	-	-	1,258,358	-	-	1,258,358	(942,692)	315,666	421,262
<u>ILBC2 Agreement</u>										
Parry Place	Jun/08	1,400,000	-	4,794,269	276,564	15,543	6,486,376	(2,532,961)	3,953,415	4,094,379
<u>RHFP Agreement</u>										
Millstream Ridge	Feb/19	-	35,428,849	-	146,648	68,748	35,644,245	(3,617,978)	32,026,267	32,574,482
Spencer Close	Nov/20	-	30,257,329	-	56,229	122,332	30,435,890	(2,092,966)	28,342,924	28,746,552
West Park	Nov/20	-	31,253,897	-	60,079	34,746	31,348,722	(2,150,869)	29,197,853	29,696,617
Hockley House	Apr/21	-	25,409,982	-	34,666	74,397	25,519,045	(1,605,940)	23,913,105	24,275,525
Prosser Place	Apr/23	-	13,230,027	-	3,761	1,513	13,235,301	(387,080)	12,848,221	13,068,037
330 Michigan	Sep/24	-	-	18,637,002	-	6,843	18,643,845	(178,180)	18,465,665	-
<u>IHI Agreement</u>										
Westview	May/20	-	-	14,937,177	94,355	10,807	15,042,339	(2,007,897)	13,034,442	13,465,500
<u>CHF Agreement</u>										
Twenty-Seven Eighty-Two	Nov/22	-	-	19,818,317	3,249	32,128	19,853,694	(1,244,527)	18,609,167	19,147,075
332 Michigan	Sep/24	-	-	15,339,378	-	-	15,339,378	(146,089)	15,193,289	-
<u>No Operating Agreement</u>										
Village on the Green	Sep/24	910,171	-	2,191,014	1,723,651	1,888	4,826,724	(3,391,526)	1,435,198	1,548,424
Vergo	May/12	1,144,327	-	4,226,788	143,795	15,991	5,530,901	(1,668,916)	3,861,985	3,979,604
Portage Place	Aug/83	328,659	-	1,070,384	745,767	29,385	2,174,195	(1,677,786)	496,409	497,536
Campus View Court	Sep/83	341,224	-	766,592	626,619	11,808	1,746,243	(1,295,707)	450,536	458,773
Royal Oak Square	Mar/84	666,280	-	2,323,983	2,016,415	67,630	5,074,308	(3,876,902)	1,197,406	1,231,828
334 Michigan	Sep/85	784,763	-	1,910,762	1,533,373	3,672	4,232,570	(3,337,452)	895,118	914,913
		-	-	-	-	-	-	-	-	-
Buildings Under Construction		-	403,473	67,082,151	-	-	67,485,624	(215,186)	67,270,438	58,605,980
Office Equipment		-	-	-	613,350	-	613,350	(540,787)	72,563	77,722
Vehicles		-	-	-	147,052	-	147,052	(77,846)	69,206	86,508
		\$ 9,496,053	\$ 148,181,402	\$ 241,774,624	\$ 45,135,776	\$ 4,414,672	\$ 449,002,527	\$ (148,181,865)	\$ 300,820,662	\$ 262,404,263

Capital Region Housing Corporation

Schedule D

Capital Fund - Mortgages Payable

For the Year Ended December 31, 2024

Rental Property	Interest Rate	Renewal Date	Maturity Date	2024	2023
<u>Umbrella Agreement</u>					
Gladstone	2.610%		January 1, 2024	\$ -	\$ 5,316
Camosun Place	1.860%		March 1, 2024	-	7,996
Parkview	1.690%		May 1, 2024	-	49,575
Carey Lane	1.690%		August 1, 2024	-	65,468
Colquitz Green	1.730%		November 1, 2024	-	87,245
Springtide	0.680%		May 1, 2025	65,914	223,354
Greenlea	0.690%		March 1, 2025	26,463	131,863
Arbutus View	0.680%		July 1, 2025	62,609	169,367
Amberlea	0.680%		May 1, 2025	70,415	238,605
Cloverhurst	0.680%		May 1, 2025	19,671	66,657
Hamlet	0.740%		October 1, 2025	44,466	97,472
Viewmont	1.120%		August 1, 2026	242,979	386,607
Creekside	2.600%		April 1, 2027	334,391	471,623
The Birches	2.550%		August 1, 2027	591,203	802,817
The Heathers	2.600%		April 1, 2028	399,876	513,260
Heron Cove	4.180%		October 1, 2028	481,867	595,492
Castanea Place	0.690%	June 1, 2025	February 1, 2030	1,532,450	1,822,805
Leblond Place - 1st mortgage	1.280%		September 1, 2031	1,361,481	1,553,388
Leblond Place - 2nd mortgage	2.150%	March 1, 2025	March 1, 2045	2,191,340	2,276,890
Rotary House	2.510%		March 1, 2028	624,949	807,209
Cairns Park	2.589%		December 1, 2031	211,459	238,678
Carillon Place	4.700%	June 1, 2029	July 1, 2033	703,095	770,688
Brock Place	2.840%	January 1, 2030	January 1, 2035	1,996,126	2,164,885
Harbour Lane	2.200%	October 1, 2026	October 1, 2036	2,068,985	2,220,506
Tillicum Station	4.250%	July 1, 2034	July 1, 2037	2,788,523	2,960,113
<u>ILBC2 Agreement</u>					
Parry Place	4.540%	May 1, 2034	May 1, 2043	3,032,851	3,140,823
<u>RHFP Agreement</u>					
Millstream Ridge	2.860%	February 1, 2029	March 1, 2054	31,805,575	32,490,978
Spencer Close	1.519%	January 1, 2031	February 1, 2056	27,800,216	28,495,405
West Park	1.519%	January 1, 2031	February 1, 2056	28,119,169	28,822,333
Hockley House	2.459%	June 1, 2031	July 1, 2056	23,886,632	24,384,028
Prosser Place	3.580%	July 1, 2033	June 1, 2058	9,217,778	9,358,545
330 Michigan	3.815%	October 1, 2034	October 1, 2059	12,476,408	-
<u>IHI Agreement</u>					
Westview	1.631%	September 1, 2030	September 1, 2055	6,782,218	6,950,886
<u>No Operating Agreement</u>					
Royal Oak Square	4.320%	July 1, 2027	July 1, 2057	4,359,143	4,419,405
Village on the Green	2.250%		Discharged in 2024	-	1,617,869
Vergo	4.950%	September 1, 2027	September 1, 2042	3,221,719	3,332,937
<u>CHF Agreement</u>					
Twenty-Seven Eighty-Two	3.710%	January 1, 2033	January 1, 2058	13,545,577	13,751,500
332 Michigan	3.820%	October 1, 2034	October 1, 2059	10,973,718	-
				191,039,273	175,492,584
Principal Current Portion				(5,959,718)	(6,193,511)
Principal Renewal Portion				(3,556,172)	(8,233,676)
				\$ 181,523,387	\$ 161,065,397

Capital Region Housing Corporation

Schedule E

Operating Fund - Rental Operations

For the Year Ended December 31, 2024

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	Total															
Umbrella Agreement																									
CMHC																									
Oakwinds	50	\$ 713,965	\$ -	\$ -	\$ 1,649	\$ 715,614	\$ 308,205	\$ 103,800	\$ -	\$ 412,005	\$ 303,609	\$ (303,609)													
James Yates Gardens	8	95,561	-	-	-	95,561	55,919	16,608	-	72,527	23,034	(23,034)													
Pinehurst	20	302,372	-	-	1,642	304,014	123,991	41,520	-	165,511	138,503	(138,503)													
The Brambles	18	291,262	-	-	1,593	292,855	136,198	37,368	-	173,566	119,289	(119,289)													
The Terraces	20	287,350	-	-	1,100	288,450	138,505	41,520	-	180,025	108,425	(108,425)													
Olympic View	60	901,258	-	-	3,339	904,597	436,372	124,560	-	560,932	343,665	(343,665)													
Swanlea	14	206,599	-	-	495	207,094	87,150	29,064	-	116,214	90,880	(90,880)													
Firgrove	32	449,477	-	-	2,208	451,685	168,057	66,432	-	234,489	217,196	(217,196)													
Beechwood Park	48	688,772	-	-	5,638	694,410	307,572	99,648	-	407,220	287,190	(287,190)													
Grey Oak Square	24	353,071	-	-	2,585	355,656	162,968	49,824	-	212,792	142,864	(142,864)													
	294	4,289,687	-	-	20,249	4,309,936	1,924,937	610,344	-	2,535,281	1,774,655	(1,774,655)													
BCHMC																									
Willowdene	15	152,326	-	-	149	152,475	182,828	31,140	-	213,968	(61,493)	61,493													
Rosewood	44	277,708	-	-	1,666	279,374	255,296	91,344	-	346,640	(67,266)	67,266													
Gladstone	14	162,176	-	-	50	162,226	110,351	29,064	157	139,572	22,654	(22,654)													
Camosun Place	8	112,938	-	5,601	-	118,539	52,640	16,608	5,509	74,757	43,782	(43,782)													
Parkview	26	291,425	-	38,459	201	330,085	178,136	53,976	39,985	272,097	57,988	(57,988)													
Carey Lane	22	151,417	-	48,913	802	201,132	202,013	45,672	57,806	305,491	(104,359)	104,359													
Colquitz Green	20	258,870	-	64,039	1,374	324,283	155,592	41,520	80,157	277,269	47,014	(47,014)													
Springtide	48	310,278	-	114,338	1,477	426,093	378,755	99,648	158,468	636,871	(210,778)	210,778													
Greenlea	21	253,212	-	42,990	1,177	297,379	199,221	43,596	105,977	348,794	(51,415)	51,415													
Arbutus View	23	259,141	-	49,970	417	309,528	165,717	47,748	107,576	321,041	(11,513)	11,513													
Amberlea	44	323,220	-	114,229	1,470	438,919	311,513	91,344	169,288	572,145	(133,226)	133,226													
Cloverhurst	10	72,373	-	41,536	100	114,009	79,690	20,760	47,292	147,742	(33,733)	33,733													

Capital Region Housing Corporation

Schedule E

Operating Fund - Rental Operations

For the Year Ended December 31, 2024

	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	Total		
Hamlet	10	117,734	-	50,060	50	167,844	93,603	20,760	53,547	167,910	(66)	66
Viewmont	36	244,550	-	162,705	1,288	408,543	242,761	74,736	147,215	464,712	(56,169)	56,169
Creekside	24	288,133	-	112,472	792	401,397	185,097	49,824	147,813	382,734	18,663	(18,663)
The Birches	56	353,630	-	165,138	1,818	520,586	309,110	116,256	229,534	654,900	(134,314)	134,314
The Heathers	26	183,891	-	109,205	1,707	294,803	171,313	53,976	125,324	350,613	(55,810)	55,810
Heron Cove	24	261,546	-	69,716	871	332,133	203,320	49,824	136,167	389,311	(57,178)	57,178
Castanea Place	59	446,613	-	184,408	1,314	632,335	375,897	122,484	302,000	800,381	(168,046)	168,046
Leblond Place	43	287,062	-	331,270	1,413	619,745	332,703	89,268	344,072	766,043	(146,298)	146,298
Rotary House	41	292,312	-	217,872	1,275	511,459	282,389	85,116	200,345	567,850	(56,391)	56,391
	614	5,100,555	-	1,922,921	19,411	7,042,887	4,467,945	1,274,664	2,458,232	8,200,841	(1,157,954)	1,157,954
Homes BC												
Cairns Park	6	69,923	-	24,026	-	93,949	49,443	12,456	33,045	94,944	(995)	995
Kings Place	35	436,142	-	166,243	2,490	604,875	549,775	72,660	-	622,435	(17,560)	17,560
Carillon Place	15	211,634	-	37,559	584	249,777	98,490	31,140	98,659	228,289	21,488	(21,488)
Brock Place	30	380,513	-	75,006	3,107	458,626	203,347	62,280	227,708	493,335	(34,709)	34,709
Harbour Lane	28	366,739	-	89,644	3,426	459,809	204,777	58,128	198,635	461,540	(1,731)	1,731
Tillicum Station	40	541,610	-	105,217	1,204	648,031	282,826	83,037	277,830	643,693	4,338	(4,338)
	154	2,006,561	-	497,695	10,811	2,515,067	1,388,658	319,701	835,877	2,544,236	(29,169)	29,169
	1,062	11,396,803	-	2,420,616	50,471	13,867,890	7,781,540	2,204,709	3,294,109	13,280,358	587,532	(587,532)
ILBC2 Agreement												
Parry Place	21	359,516	613,543	-	10,733	983,792	662,951	16,600	235,003	914,554	69,238	(69,238)
RHFP Agreement												
Millstream Ridge	132	2,304,449	-	-	41,540	2,345,989	795,473	114,048	1,599,541	2,509,062	(163,073)	163,073
Spencer Close	130	2,207,718	-	-	41,880	2,249,598	865,024	112,320	1,120,867	2,098,211	151,387	(151,387)

Capital Region Housing Corporation

Schedule E

Operating Fund - Rental Operations

For the Year Ended December 31, 2024

	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	Total		
West Park	152	2,281,350	-	-	50,635	2,331,985	796,094	131,328	1,133,726	2,061,148	270,837	(270,837)
Hockley House	120	1,877,099	-	-	31,460	1,908,559	763,998	103,680	1,087,228	1,954,906	(46,347)	46,347
Prosser Place	51	863,557	-	-	15,355	878,912	265,790	44,064	470,551	780,405	98,507	(98,507)
330 Michigan	53	142,325	-	-	4,580	146,905	78,551	-	147,536	226,087	(79,182)	79,182
	638	9,676,498	-	-	185,450	9,861,948	3,564,930	505,440	5,559,449	9,629,819	232,129	(232,129)
IHI Agreement												
Westview	73	906,353	-	-	19,863	926,216	432,850	63,072	280,173	776,095	150,121	(150,121)
CHF Agreement												
Twenty-Seven Eighty- Two	58	680,452	466,018	-	125	1,146,595	325,386	50,112	707,996	1,083,494	63,101	(63,101)
332 Michigan	44	79,882	66,679	-	2,790	149,351	67,262	-	129,767	197,029	(47,678)	47,678
	102	760,334	532,697	-	2,915	1,295,946	392,648	50,112	837,763	1,280,523	15,423	(15,423)
No Operating Agreement												
Portage Place	17	258,179	-	-	523	258,702	115,110	35,217	-	150,327	108,375	(108,375)
Campus View Court	12	187,470	-	-	1,110	188,580	83,738	24,859	-	108,597	79,983	(79,983)
Royal Oak Square	38	563,369	-	-	1,212	564,581	242,967	78,719	248,043	569,729	(5,148)	5,148
Village on the Green	38	439,880	-	-	2,450	442,330	211,558	78,719	105,304	395,581	46,749	(46,749)
334 Michigan	9	94,472	-	-	50	94,522	68,769	-	-	68,769	25,753	(25,753)
Vergo	18	312,818	-	-	100	312,918	118,081	37,288	271,588	426,957	(114,039)	114,039
	132	1,856,188	-	-	5,445	1,861,633	840,223	254,802	624,935	1,719,960	141,673	(141,673)
	2,028	\$ 24,955,692	\$ 1,146,240	\$ 2,420,616	\$ 274,877	\$ 28,797,425	\$ 13,675,142	\$ 3,094,735	\$ 10,831,432	\$ 27,601,309	\$ 1,196,116	\$ (1,196,116)