

# Capital Region Housing Corporation 2020 Financial Statements

British Columbia, Canada  
Fiscal year ended December 31, 2020

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# Table of Contents

Independent Auditors' Report . . . . .	2
Management Report . . . . .	5

## Statements

Statement of Financial Position . . . . .	6
Statement of Operations . . . . .	7
Statement of Changes in Net Assets & Remeasurement Gains & Losses . . . . .	8
Statement of Cash Flows . . . . .	9

## Notes

Notes to Financial Statements . . . . .	10
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## Schedules

Changes in Replacement Reserve Fund . . . . .	21
Changes in Portfolio Stabilization Reserves . . . . .	22
Capital Assets . . . . .	23
Capital Fund: Mortgages Payable . . . . .	25
Operating Fund: Rental Operations . . . . .	26



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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, 2020
- 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, 2020, 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  
\_\_\_\_\_ 2021

## 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, 2020.

On behalf of Capital Region Housing Corporation,

---

Nelson Chan, MBA, FCPA, FCMA  
Chief Financial Officer  
May 12, 2021

## Statement of Financial Position

As at December 31, 2020

	2020	2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 6,961,868	\$ 6,778,570
Accounts receivable	642,886	483,154
Due from Capital Regional Hospital District	-	80,726
Prepaid expenses	541,333	391,831
	<b>8,146,087</b>	<b>7,734,281</b>
Cash and cash equivalents restricted for replacement reserve (Note 2)	5,934,450	5,116,400
Restricted cash held by BCHMC	-	478,892
Capital assets (Note 3 and Schedule C)	161,085,348	99,934,869
	<b>\$ 175,165,885</b>	<b>\$ 113,264,442</b>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	1,014,548	2,684,758
Accrued mortgage interest	209,964	229,824
Due to Capital Regional District	104,454	21,539
Deferred revenue	704,008	670,815
Security deposits	795,281	636,614
Short-term capital financing (Note 9)	61,277,457	2,344,958
Mortgages payable principal current portion (Schedule D)	4,828,667	4,568,934
Mortgages payable principal renewal portion (Note 4 and Schedule D)	3,189,847	8,840,245
	<b>72,124,226</b>	<b>19,997,687</b>
Mortgages payable (Note 4 and Schedule D)	71,844,896	64,173,151
Capital stock (Note 5)	1	1
Net assets:		
Invested in capital assets (Note 6)	21,351,990	20,840,337
Externally restricted (Note 7)	8,587,302	7,504,594
Internally restricted (Note 7)	623,382	306,064
Unrestricted: Corporation stabilization reserve (Note 8)	498,122	658,224
	<b>31,060,796</b>	<b>29,309,219</b>
Accumulated remeasurement losses	135,966	(215,616)
	<b>31,196,762</b>	<b>29,093,603</b>
Commitments and contingencies (Note 9)		
Subsequent events (Note 12)		
	<b>\$ 175,165,885</b>	<b>\$ 113,264,442</b>

See accompanying notes to the financial statements.

On behalf of the Board:

\_\_\_\_\_  
Director\_\_\_\_\_  
Director



## Statement of Operations

For the year ended December 31, 2020

	Operating Funds		Restricted Funds		Total 2020	Total 2019
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund		
<b>Revenues:</b>						
Tenant rent contributions	\$ -	\$14,483,146	\$ -	\$ -	\$ 14,483,146	\$ 13,352,665
BCHMC rent subsidy assistance	-	359,792	-	-	359,792	326,494
BCHMC umbrella operating agreement funding	-	3,118,951	-	-	3,118,951	3,348,038
Rental management fees	1,736,610	-	-	-	1,736,610	1,505,344
Rental management fees - other	80,682	-	-	-	80,682	89,328
Investment income	78,422	-	45,427	148,084	271,933	303,915
Guest suites, net	(1,774)	-	-	-	(1,774)	1,320
Miscellaneous	55,890	137,626	-	-	193,516	172,248
Project management fees	273,690	-	-	-	273,690	276,000
Government contributions (Note 9)	-	-	660,000	-	660,000	5,821,264
	2,223,520	18,099,515	705,427	148,084	21,176,546	25,196,616
<b>Expenses:</b>						
Administration and property management	2,255,667	-	-	-	2,255,667	1,959,882
Amortization - office equipment and vehicles	-	-	8,970	-	8,970	11,213
Amortization - buildings and equipment	-	-	5,317,385	-	5,317,385	5,438,880
Amortization - prepaid leases	-	-	902,205	-	902,205	816,830
Property taxes	-	295,670	-	-	295,670	306,316
Insurance	-	845,756	-	-	845,756	632,846
Maintenance	-	949,823	-	-	949,823	1,031,410
Caretakers	-	1,513,770	-	-	1,513,770	1,246,120
Landscape	-	378,861	-	-	378,861	372,714
Electricity	-	264,704	-	-	264,704	323,562
Land and improvement leases	-	294,000	-	-	294,000	294,000
Water	-	1,090,990	-	-	1,090,990	977,216
Oil and gas	-	96,251	-	-	96,251	86,493
Garbage	-	286,381	-	-	286,381	265,337
Rental management fee	-	1,735,790	-	-	1,735,790	1,504,614
Audit and legal	-	31,381	-	-	31,381	28,211
Miscellaneous	-	35,745	-	-	35,745	66,139
Hospitality services (Parry Place)	-	293,690	-	-	293,690	290,262
Interest on mortgages payable	-	2,127,930	-	-	2,127,930	2,209,671
Repayment of BCHMC capital contribution	-	-	700,000	-	700,000	-
	2,255,667	10,240,742	6,928,560	-	19,424,969	17,861,716
<b>Excess (deficiency) of revenues over expenses before:</b>	(32,147)	7,858,773	(6,223,133)	148,084	1,751,577	7,334,900
Reimburse BCHMC subsidy overpayments	-	-	-	-	-	(5,047)
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (32,147)</b>	<b>\$ 7,858,773</b>	<b>\$ (6,223,133)</b>	<b>\$ 148,084</b>	<b>\$ 1,751,577</b>	<b>\$ 7,329,853</b>

See accompanying notes to the financial statements.

## Statement of Changes in Net Assets &amp; Remeasurement Gains &amp; Losses

For the year ended December 31, 2020

	Operating Funds		Restricted Funds		Remeasurement Gains / (Losses)	Total 2020	Total 2019
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund			
Net assets, beginning of year	\$ 826,544	\$ 2,525,938	\$ 20,840,337	\$ 5,116,400	\$ (215,616)	\$ 29,093,603	\$ 21,718,174
Excess (deficiency) of revenues over expenses	(32,147)	7,858,773	(6,223,133)	148,084	-	1,751,577	7,329,853
Interfund transfers:							
Mortgage principal repayments	-	(5,092,006)	5,092,006	-	-	-	-
Replacement reserve transfers	-	(2,327,500)	-	2,327,500	-	-	-
Replacement reserve expenditures	-	-	1,657,534	(1,657,534)	-	-	-
Rental housing fund transfers	(135,082)	149,836	(14,754)	-	-	-	-
	(135,082)	(7,269,670)	6,734,786	669,966	-	-	-
Unrealized gain (loss) on investments	-	-	-	-	351,582	351,582	45,576
Net assets, end of year	\$ 659,315	\$ 3,115,041	\$ 21,351,990	\$ 5,934,450	\$ 135,966	\$ 31,196,762	\$ 29,093,603

See accompanying notes to the financial statements.

## Statement of Cash Flows

For the year ended December 31, 2020

	2020	2019
<b>Cash provided by (used in):</b>		
<b>Operating activities:</b>		
Excess of revenues over expenses	\$ 1,751,577	\$ 7,329,853
Items not involving cash:		
Amortization	6,228,560	6,266,923
Changes in non-cash assets and liabilities:		
(Increase) in accounts receivable	(159,732)	(223,470)
Decrease (increase) in due from Capital Regional Hospital District	80,726	(80,726)
(Increase) in inventory and prepaid expenses	(149,502)	(155,228)
Increase (decrease) in accounts payable and accrued liabilities	(1,670,210)	1,585,256
Increase (decrease) in accrued mortgage interest	(19,860)	72,789
Increase in deferred revenue	33,193	37,488
Increase in security deposits	158,667	113,106
Increase (decrease) due to Capital Regional District	82,915	(145,996)
<b>Net change in cash from operating activities</b>	<b>6,336,334</b>	<b>14,799,995</b>
<b>Investing activities:</b>		
Decrease in restricted cash and cash equivalents	12,424	199,256
<b>Capital activities:</b>		
Acquisition of capital assets	(67,379,039)	(47,445,874)
<b>Net change in cash from capital activities</b>	<b>(67,379,039)</b>	<b>(47,445,874)</b>
<b>Financing activities:</b>		
Repayment of mortgages payable	(5,092,006)	(5,193,349)
Proceeds from short term debt	61,277,457	2,344,958
Proceeds from long term debt	5,028,128	35,499,184
	<b>61,213,579</b>	<b>32,650,793</b>
<b>Net change in cash and cash equivalents</b>	<b>183,298</b>	<b>204,170</b>
Cash and cash equivalents, beginning of year	6,778,570	6,574,400
<b>Cash and cash equivalents, end of year</b>	<b>\$ 6,961,868</b>	<b>\$ 6,778,570</b>

See accompanying notes to the financial statements.

# Capital Region Housing Corporation

## Notes to Financial Statements

For the year ended December 31, 2020

### 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 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 provided on the declining balance basis at 20% per annum.

Amortization is charged upon the asset becoming available for productive use in the year of acquisition.

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

## 1. Significant Accounting Policies (continued)

### e. Operating Agreements (continued)

#### i. Umbrella (continued)

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.

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.

**1. Significant Accounting Policies (continued)****e. Operating Agreements (continued)****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.

**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 will be 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 0.11% (2019: average prime minus 0.45%).

**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.

**1. Significant Accounting Policies (continued)****g. Financial Instruments (continued)**

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, 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

December 31, 2019	Cost	Accumulated Amortization	Net Book Value
Land	\$ 9,496,053	\$ -	\$ 9,496,053
Prepaid leases	48,030,167	6,331,754	41,698,413
Buildings	118,109,960	78,387,702	39,722,258
Equipment and other	37,299,219	28,281,074	9,018,145
	\$ 212,935,399	\$ 113,000,530	\$ 99,934,869



#### 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 approximately as follows:		<b>Assuming no mortgage renewal</b>	<b>Assuming mortgage renewal</b>
2021	\$	8,018,514	\$ 4,901,224
2022		7,926,882	4,872,303
2023		5,410,602	4,927,348
2024		12,068,342	4,745,516
2025	\$	6,425,327	\$ 4,291,919

Interest on mortgages ranges from 0.68% to 3.50% with renewal dates February 1, 2021 to September 1, 2030 and maturity dates from February 1, 2021 to September 1, 2055.

#### 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:

	<b>December 31, 2020</b>	December 31, 2019
Capital assets	\$ 161,085,348	\$ 99,934,869
Accounts receivable	454,156	202,254
Interfund due (to)/from rental housing operating fund	953,353	151,610
Restricted cash	-	478,892
Mortgages payable	(79,863,410)	(77,582,330)
Short-term loan	(61,277,457)	(2,344,958)
	<b>\$ 21,351,990</b>	<b>\$ 20,840,337</b>

**7. Restricted Net Assets**

## Externally restricted net assets:

	<b>December 31, 2020</b>	December 31, 2019
Replacement reserve fund	\$ 5,934,450	\$ 5,116,400
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,948)
Portfolio stabilization reserve - umbrella agreement	2,588,625	2,472,613
Portfolio stabilization reserve - ILBC2 agreement	(38,827)	(80,509)
Portfolio stabilization reserve - RHFP agreement	(13,589)	38
Portfolio stabilization reserve - IHI	120,592	-
	<b>\$ 8,587,302</b>	<b>\$ 7,504,594</b>

## Internally restricted net assets:

	<b>December 31, 2020</b>	December 31, 2019
Portfolio stabilization reserve - no operating agreement	\$ 462,189	\$ 137,744
Guest suite surplus	36,425	38,199
Vehicle replacement reserve	94,584	92,142
Equipment replacement reserve	30,184	37,979
	<b>\$ 623,382</b>	<b>\$ 306,064</b>

## Rental housing operating fund balance:

	<b>December 31, 2020</b>	December 31, 2019
Portfolio stabilization reserve - umbrella agreement	\$ 2,588,625	\$ 2,472,613
Portfolio stabilization reserve - ILBC2 agreement	(38,827)	(80,509)
Portfolio stabilization reserve - RHFP agreement	(13,589)	38
Portfolio stabilization reserve - IHI	120,592	-
Portfolio stabilization reserve - no operating agreement	462,189	137,744
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,948)
	<b>\$ 3,115,041</b>	<b>\$ 2,525,938</b>

**8. Unrestricted Net Assets**

Unrestricted net assets - corporation stabilization reserve:

	<b>December 31, 2020</b>	December 31, 2019
Operating net assets, ending balance	\$ 659,315	\$ 826,544
Less: Internally restricted net assets		
Guest suite surplus	(36,425)	(38,199)
Vehicle replacement reserve	(94,584)	(92,142)
Equipment replacement reserve	(30,184)	(37,979)
	<b>\$ 498,122</b>	<b>\$ 658,224</b>

**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 sixty 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 sixty year land lease at 3816 Carey Road from the CRD for one dollar, 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 \$63,520 (2019: \$62,275) 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 short-term capital financing from BCHMC to fund the prepaid lease. This short-term financing was converted to a 35-year mortgage subsequent to year-end for a 10-year term at 1.519% interest.

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 short-term capital financing from BCHMC to fund the prepaid lease. This short-term financing was converted to a 35-year mortgage subsequent to year-end for a 10-year term at 1.519% interest.

## 9. Commitments and Contingencies (continued)

### 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.

### 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, Village on the Green and Vergo, 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.

## 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 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, 2019, the Plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 32 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, 2020 is \$222,396 (2019: \$183,804). The next valuation will be as at December 31, 2021, with results available in 2022.

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, 2020 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, 2020 is \$0 (2019: \$0). There have been no significant changes to the credit risk exposure from 2019.

### 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 2019.

### 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 2019.

#### 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.

## 11. 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, 2020, there are four properties which do not receive subsidy assistance based on mortgage interest rates: Village on the Green, Vergo, Millstream Ridge, and Westview. The Corporation entered into a fixed rate 10-year mortgage for Millstream Ridge in 2019 which will be subject to unsubsidized interest rate risk upon renewal.

## 12. Subsequent Events

Subsequent to December 31, 2020, the short-term capital financing provided by BCHMC to acquire the prepaid leases of West Park and Spencer Close was converted to 35-year mortgage financing at a fixed rate for a 10-year term at 1.519% interest.

On March 22, 2021, the Corporation obtained short-term financing from BCHMC and entered into a prepaid lease of Hockley House from the CRD in the amount of \$23.8 million. The financing will be converted to a 35-year mortgage after being placed with a lender by BCHMC.

On April 14, 2021, the Corporation's Board authorized staff to enter into a pre-paid lease agreement with the CRD in the amount of \$10.1 million for an affordable housing project in the region.

## 13. COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in governments worldwide, including the Canadian federal and provincial governments enacting emergency measures to combat the spread of the virus. The economic conditions and the Corporation's response to the pandemic did not have a material impact on the Corporation's operating results and financial position in 2020. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Corporation is not known at this time.

## Changes in Replacement Reserve Fund

For the year ended December 31, 2020

	Balance at December 31 2019	Transfer from Rental Operating Fund	Contribution from UOA Stabilization Reserve	Contribution from Capital Trust Account	Interest	Transfer to Capital Fund	2020
<b><u>Umbrella Agreement</u></b>							
Oakwinds	\$ 742,608	\$ 89,454	\$ -	\$ -	\$ 19,938	\$ (69,941)	\$ 782,059
James Yates Gardens	119,434	14,313	-	-	3,350	(375)	136,722
Pinehurst	404,624	35,782	-	-	11,069	(9,597)	441,878
The Brambles	135,687	32,203	-	-	3,934	(6,645)	165,179
The Terraces	496,814	35,782	-	-	13,595	(3,357)	542,834
Michigan Square	360,602	-	-	-	9,437	(9,015)	361,024
Olympic View	165,189	107,345	-	-	3,144	(199,928)	75,750
Swanlea	125,914	25,047	-	-	3,650	(1,381)	153,230
Firgrove	4,561	57,251	-	-	780	(7,480)	55,112
Beechwood Park	(51,378)	85,876	-	-	-	(40,811)	(6,313)
Grey Oak Square	(19,013)	42,938	-	-	-	(8,756)	15,169
Willowdene	2,932	26,836	-	-	403	(2,249)	27,922
Rosewood	59,919	78,720	-	-	2,228	(29,917)	110,950
Gladstone	31,279	25,047	-	-	969	(14,475)	42,820
Camosun Place	73,466	14,313	-	-	1,763	(28,174)	61,368
Parkview	99,636	46,516	-	-	2,769	(36,836)	112,085
Carey Lane	17,087	39,360	-	-	225	(56,580)	92
Colquitz Green	(20,849)	35,782	-	-	-	(45,288)	(30,355)
Springtide	21,566	85,876	-	-	1,565	(10,260)	98,747
Greenlea	19,730	37,571	-	-	357	(50,073)	7,585
Arbutus View	(5,509)	41,149	-	-	-	(39,533)	(3,893)
Amberlea	228,217	78,720	-	-	6,000	(82,327)	230,610
Cloverhurst	38,512	17,891	-	-	1,228	(2,211)	55,420
Hamlet	(485)	17,891	-	-	-	(38,882)	(21,476)
Viewmont	119,254	64,407	-	-	2,937	(73,684)	112,914
Creekside	5,657	42,938	-	-	-	(62,115)	(13,520)
The Birches	23,925	100,188	-	-	1,406	(41,942)	83,577
Caledonia	16,802	-	-	-	445	-	17,247
The Heathers	136,991	46,516	-	-	3,691	(41,930)	145,268
Heron Cove	89,060	42,938	-	-	2,572	(26,939)	107,631
Castanea Place	370,261	105,556	-	-	9,419	(134,390)	350,846
Leblond Place	(79,845)	76,930	-	-	-	(75,569)	(78,484)
Rotary House	7,371	73,352	-	-	862	(23,040)	58,545
Cairns Park	11,127	10,734	-	-	39	(30,017)	(8,117)
Kings Place	17,676	62,618	-	-	956	(25,815)	55,435
Carillon Place	19,919	26,836	-	-	565	(24,053)	23,267
Brock Place	132	53,672	-	-	-	(53,902)	(98)
Harbour Lane	189,407	50,094	-	-	5,378	(22,991)	221,888
Tillicum Station	220,397	71,560	-	-	5,975	(61,400)	236,532
<b><u>ILBC2 Agreement</u></b>							
Parry Place	101,705	16,600	-	-	2,507	(3,287)	117,525
<b><u>No Operating Agreement</u></b>							
Village on the Green	312,419	78,719	-	-	8,467	(64,570)	335,035
Vergo	33,707	37,288	-	-	1,329	(4,419)	67,905
Portage Place	122,702	35,217	-	-	3,666	(3,928)	157,657
Campus View Court	126,804	24,859	-	-	3,474	(16,277)	138,860
Royal Oak Square	138,774	78,719	-	-	4,112	(45,901)	175,704
<b><u>RHFP Agreement</u></b>							
Millstream Ridge	81,612	114,048	-	-	3,374	(23,385)	175,649
<b><u>IHI Agreement</u></b>							
Westview	-	42,048	-	-	506	(3,889)	38,665
	\$ 5,116,400	\$ 2,327,500	\$ -	\$ -	\$ 148,084	\$ (1,657,534)	\$ 5,934,450

## Changes in Portfolio Stabilization Reserves

For the year ended December 31, 2020

	Balance at December 31, 2019	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, 2020
<u>Umbrella</u>						
<u>Agreement</u>						
CMHC	\$ 3,978,668	\$ -	\$ -	\$ 1,121,581	\$ -	\$ 5,100,249
BCHMC	(1,464,774)	-	-	(924,026)	-	(2,388,800)
Homes BC	(41,281)	-	-	(81,543)	-	(122,824)
	2,472,613	-	-	116,012	-	2,588,625
<u>ILBC2</u>						
<u>Agreement</u>						
Parry Place	(80,509)	-	-	41,682	-	(38,827)
<u>RHFP</u>						
<u>Agreement</u>						
Millstream Ridge	38	-	-	(24,418)	-	(24,380)
Spencer Close	-	-	-	10,791	-	10,791
West Park	-	-	-	-	-	-
	38	-	-	(13,627)	-	(13,589)
<u>IHI Agreement</u>						
Westview	-	-	-	120,592	-	120,592
<u>No Operating</u>						
<u>Agreement</u>						
Portage Place	-	-	-	86,140	-	86,140
Campus View Court	-	-	-	58,149	-	58,149
Royal Oak Square	-	-	-	227,697	-	227,697
Village on the Green	583,734	-	-	46,280	-	630,014
Vergo	(445,990)	-	-	(93,821)	-	(539,811)
	137,744	-	-	324,445	-	462,189
	\$ 2,529,886	\$ -	\$ -	\$ 589,104	\$ -	\$ 3,118,990



Capital Assets

For the year ended December 31, 2020

Capital Assets

In Operation		Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization	2020	2019		
<b>Umbrella Agreement</b>													
Oakwinds	Feb/85	\$	103,200	-	2,835,407	\$	1,449,152	\$	69,941	\$	408,337	\$	435,420
James Yates Gardens	Oct/84		277,692	-	387,934		285,944		375		170,106		186,459
Pinehurst	Feb/85		275,975	-	1,188,811		660,916		9,597		397,761		452,147
The Brambles	Jun/85		356,532	-	1,048,104		737,519		6,645		388,479		409,961
The Terraces	May/85		784,763	-	1,087,668		861,279		3,357		486,947		516,194
Michigan Square	Sep/85		900,000	-	3,154,222		2,485,008		9,015		1,051,213		1,108,811
Olympic View	Apr/86		230,215	-	3,288,908		2,045,415		199,928		1,449,725		1,481,198
Swanlea	Dec/85		480,000	-	746,556		451,510		1,381		303,343		320,244
Firgrove	Feb/86		888,000	-	1,763,183		1,147,074		7,480		641,182		724,374
Beechwood Park	Feb/86		409,015	-	2,317,623		2,988,251		40,811		1,422,119		1,581,057
Grey Oak Square	Apr/86		-	-	1,290,394		942,375		8,756		605,474		682,700
Willowdene	Sep/87		-	-	884,186		650,139		2,249		155,083		204,235
Rosewood	Oct/88		-	-	1,864,715		787,119		29,917		383,132		451,202
Gladstone	Jan/89		-	-	912,600		480,483		14,475		246,059		279,916
Camosun Place	Mar/89		-	-	489,700		195,585		28,174		141,164		140,978
Parkview	May/89		-	-	1,795,567		877,127		36,836		448,206		507,923
Carey Lane	Aug/89		-	-	1,443,751		860,411		56,580		437,762		472,608
Colquitz Green	Nov/89		-	-	1,504,000		738,220		45,288		375,179		418,402
Springtide	May/90		-	-	2,519,309		866,820		10,260		598,994		704,680
Greenlea	Feb/90		-	-	1,560,300		788,168		50,073		488,439		528,627
Arbutus View	Jul/90		-	-	1,592,750		924,257		39,533		606,136		679,562
Amberlea	May/90		-	-	2,578,479		781,907		82,327		718,850		769,620
Cloverhurst	May/90		-	-	651,500		235,714		2,211		212,837		243,314
Hamlet	Oct/90		-	-	803,000		360,812		38,882		266,390		278,273
Viewmont	Aug/91		-	-	2,378,046		737,657		73,684		726,975		774,484
Creekside	Apr/92		-	-	2,363,830		878,085		62,115		794,652		853,754
The Birches	Apr/92		-	-	3,684,874		847,918		41,942		1,157,375		1,276,198
Caledonia	Apr/93		-	-	1,452,777		439,163		-		565,856		629,118
The Heathers	Apr/93		-	-	1,974,683		388,764		41,930		719,626		764,389
Heron Cove	Oct/93		-	-	2,274,691		504,560		26,939		735,226		811,851
Castanea Place	Feb/95		-	-	4,841,879		987,008		134,390		2,281,065		2,384,390
Leblond Place	Sep/96		-	-	4,506,231		1,139,539		75,569		2,357,741		2,562,240
Rotary House	Nov/06		-	-	2,994,000		581,051		23,040		1,622,572		1,777,552
Cairns Park	Dec/96		-	-	415,314		162,140		30,017		328,921		332,336
Kings Place	N/A		-	-	-		653,812		25,815		169,409		185,948

	Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization	2020	2019
Carillon Place	Jul/98	-	525,000	1,280,389	689,270	24,053	2,518,712	(1,500,885)	1,017,827	1,102,878
Brock Place	Jan/00	-	840,000	3,465,836	1,040,995	53,902	5,400,733	(3,081,536)	2,319,197	2,475,035
Harbour Lane	Oct/01	-	825,000	3,607,266	309,371	22,991	4,764,628	(2,585,995)	2,178,633	2,293,124
Tillicum Station	Jul/02	-	948,750	4,300,764	501,799	61,400	5,812,713	(3,036,433)	2,776,280	2,894,049
<b>Building Envelope Remediation</b>										
Amberlea	2008	-	-	2,367,415	-	-	2,367,415	(1,846,264)	521,151	651,439
Cloverhurst	2008	-	-	1,105,204	-	-	1,105,204	(863,417)	241,787	302,234
The Birches	2006	-	-	1,635,610	-	-	1,635,610	(1,175,435)	460,175	536,871
Heron Cove	2007	-	-	1,756,374	-	-	1,756,374	(1,197,203)	559,171	639,053
Castanea Place	2007	-	-	2,531,350	-	-	2,531,350	(1,551,839)	979,511	1,088,345
Leblond Place	2009	-	-	3,337,941	-	-	3,337,941	(1,875,017)	1,462,924	1,609,216
The Heathers	2016	-	-	1,258,358	-	-	1,258,358	(521,149)	737,209	842,524
<b>ILBC2 Agreement</b>										
Parry Place	Jun/08	1,400,000	-	4,794,268	226,793	3,287	6,424,348	(1,900,551)	4,523,797	4,677,834
<b>RHP Agreement</b>										
Millstream Ridge	Feb/19	-	35,428,849	-	12,769	23,385	35,465,003	(1,190,236)	34,274,767	34,848,583
Spencer Close	Nov/20	-	30,218,969	-	-	-	30,218,969	(41,972)	30,176,997	-
West Park	Nov/20	-	31,249,917	-	-	-	31,249,917	(43,403)	31,206,514	-
<b>IHI Agreement</b>										
Westview	May/20	-	-	14,844,032	-	3,889	14,847,921	(247,400)	14,600,521	11,293,916
<b>No Operating Agreement</b>										
Village on the Green	May/84	910,171	-	2,002,921	903,639	64,570	3,881,301	(2,757,282)	1,124,019	1,112,911
Vergo	May/12	1,144,327	-	4,226,787	78,334	4,419	5,453,867	(1,143,782)	4,310,085	4,435,629
Portage Place	Aug/83	328,659	-	965,774	688,343	3,928	1,996,704	(1,480,988)	515,716	558,552
Campus View Court	Sep/83	341,224	-	688,111	576,313	16,277	1,621,925	(1,158,447)	463,478	477,763
Royal Oak Square	Mar/84	666,280	-	2,051,834	1,744,272	45,901	4,508,287	(3,318,270)	1,190,017	1,275,050
<b>Buildings Under Construction</b>										
Redevelopment Sites		-	-	1,547,359	-	-	1,547,359	-	1,547,359	844,850
Office Equipment		-	-	535,869	-	-	535,869	(499,991)	35,878	44,848
Vehicles		-	-	60,544	-	-	60,544	(60,544)	-	-
		\$ 9,496,053	\$ 109,499,053	\$ 122,362,585	\$ 37,299,213	\$ 1,657,534	\$ 280,314,438	\$ (119,229,090)	\$ 161,085,348	\$ 99,934,869

## Capital Fund: Mortgages Payable

For the year ended December 31, 2020

Rental Property	Interest Rate	Renewal Date	Maturity Date	2020	2019
<u>Umbrella Agreement</u>					
Oakwinds	1.390%		February 1, 2020	\$ -	\$ 38,790
Pinehurst	1.390%		March 1, 2020	-	22,859
The Brambles	1.040%		June 1, 2020	-	40,334
The Terraces	1.040%		May 1, 2020	-	36,746
Michigan Square	1.020%		September 1, 2020	-	181,257
Olympic View	2.930%		April 1, 2021	88,571	349,002
Swanlea	3.430%		December 1, 2020	-	62,817
Firgrove	3.150%		February 1, 2021	23,899	164,373
Beechwood Park	3.150%		February 1, 2021	34,235	235,461
Grey Oak Square	3.150%		March 1, 2021	27,083	133,150
Willowdene	2.580%		September 1, 2022	90,076	139,761
Rosewood	2.610%		November 1, 2023	342,135	453,603
Gladstone	2.610%		January 1, 2024	189,340	247,565
Camosun Place	1.860%		March 1, 2024	101,074	130,967
Parkview	1.690%		May 1, 2024	396,503	508,304
Carey Lane	1.690%		August 1, 2024	351,189	443,266
Colquitz Green	1.730%		November 1, 2024	363,422	451,699
Springtide	0.680%		May 1, 2025	689,317	834,317
Greenlea	0.690%		March 1, 2025	443,747	542,704
Arbutus View	0.680%		July 1, 2025	485,329	583,483
Amberlea	0.680%		May 1, 2025	736,384	891,285
Cloverhurst	0.680%		May 1, 2025	205,717	248,990
Hamlet	3.430%	February 1, 2021	October 1, 2025	253,602	301,086
Viewmont	2.490%	October 1, 2021	August 1, 2026	803,591	934,059
Creekside	2.600%	April 1, 2027	April 1, 2027	862,697	986,452
The Birches	2.550%	August 1, 2027	August 1, 2032	1,406,451	1,597,662
Caledonia	2.500%	April 1, 2028	April 1, 2033	652,595	732,716
The Heathers	2.600%	April 1, 2028	April 1, 2033	836,379	938,629
Heron Cove	2.610%	October 1, 2028	October 1, 2033	929,292	1,034,901
Castanea Place	0.690%		February 1, 2030	2,681,978	2,945,716
Leblond Place - 1st mortgage	2.490%	October 1, 2021	September 1, 2031	2,104,815	2,273,605
Leblond Place - 2nd mortgage	2.150%	March 1, 2025	March 1, 2045	2,522,835	2,601,372
Rotary House	2.510%	March 1, 2028	March 1, 2033	1,327,521	1,492,469
Cairns Park	1.698%	December 1, 2021	December 1, 2031	317,549	343,595
Carillon Place	3.220%	June 1, 2024	July 1, 2033	967,327	1,028,796
Brock Place	2.840%		January 1, 2035	2,643,524	2,899,890
Harbour Lane	2.200%	October 1, 2026	October 1, 2036	2,655,676	2,794,500
Tillicum Station	3.270%	July 1, 2024	July 1, 2037	3,456,281	3,611,010
<u>ILBC2 Agreement</u>					
Parry Place	3.480%	May 1, 2024	May 1, 2043	3,462,633	3,562,711
<u>RHFP Agreement</u>					
Millstream Ridge	2.860%	February 1, 2029	March 1, 2054	34,441,936	35,053,436
<u>IHI Agreement</u>					
Westview	1.631%	September 1, 2030	September 1, 2055	7,440,758	-
<u>CRHC No Operating Agreement</u>					
Village on the Green	3.500%	October 1, 2021	October 1, 2039	1,857,077	1,925,741
Vergo	3.450%	August 1, 2022	August 1, 2042	3,670,872	3,783,251
				<b>79,863,410</b>	<b>77,582,330</b>
Principal Current Portion				<b>(4,828,667)</b>	<b>(4,568,934)</b>
Principal Renewal Portion				<b>(3,189,847)</b>	<b>(8,840,245)</b>
				<b>\$ 71,844,896</b>	<b>\$ 64,173,151</b>

Operating Fund: Rental Operations

For the year ended December 31, 2020

Operating Fund: Rental Operations

	Revenues				Expenditures and Interfund Transfers					Total	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
<b>Umbrella Agreement</b>													
<b>CMHC</b>													
Oakwinds	50	\$ 654,602	\$ -	\$ 4,811	\$ 2,907	\$ 662,320	\$ 280,399	\$ 89,454	\$ 38,913	\$ -	\$ 408,766	\$ 253,554	\$ (253,554)
James Yates Gardens	8	76,410	-	-	169	76,579	42,276	14,313	-	-	56,589	19,990	(19,990)
Pinehurst	20	285,635	-	3,865	1,898	291,398	99,603	35,782	23,086	-	158,471	132,927	(132,927)
The Brambles	18	239,249	-	7,500	1,901	248,650	112,785	32,203	40,521	-	185,509	63,141	(63,141)
The Terraces	20	254,063	-	6,627	1,912	262,602	112,215	35,782	36,808	-	184,805	77,797	(77,797)
Michigan Square	62	420,737	-	35,171	5,875	461,783	221,590	-	181,971	-	403,561	58,222	(58,222)
Olympic View	60	800,126	-	70,610	4,512	875,248	335,023	107,345	266,496	-	708,864	166,384	(166,384)
Swanlea	14	197,193	-	16,605	1,126	214,924	74,880	25,047	63,900	-	163,827	51,097	(51,097)
Firgrove	32	402,886	-	37,102	2,551	442,539	151,536	57,251	143,243	-	352,030	90,509	(90,509)
Beechwood Park	48	612,810	-	53,052	7,413	673,275	246,532	85,876	205,192	-	537,600	135,675	(135,675)
Grey Oak Square	24	321,885	-	27,979	2,459	352,323	128,659	42,938	108,441	-	280,038	72,285	(72,285)
	356	4,265,596	-	263,322	32,723	4,561,641	1,805,498	525,991	1,108,571	-	3,440,060	1,121,581	(1,121,581)
<b>BCHMC</b>													
Willowdene	15	109,018	-	56,415	454	165,887	137,717	26,836	52,691	-	217,244	(51,357)	51,357
Rosewood	44	245,916	-	83,724	2,921	332,561	221,726	78,720	121,926	-	422,372	(89,811)	89,811
Gladstone	14	124,914	-	63,368	228	188,510	77,441	25,047	63,964	-	166,452	22,058	(22,058)
Camosun Place	8	74,714	-	33,432	133	108,279	49,300	14,313	32,068	-	95,681	12,598	(12,598)
Parkview	26	185,590	-	114,811	898	301,299	125,730	46,516	119,503	-	291,749	9,550	(9,550)
Carey Lane	22	188,975	-	83,364	1,200	273,539	115,202	39,360	98,835	-	253,397	20,142	(20,142)
Colquitz Green	20	171,282	-	76,241	992	248,515	113,126	35,782	96,371	-	245,279	3,236	(3,236)
Springtide	48	260,135	-	118,997	2,725	381,857	244,156	85,876	165,287	-	495,319	(113,462)	113,462
Greenlea	21	161,043	-	44,624	1,045	206,712	115,603	37,571	108,912	-	262,086	(55,374)	55,374

Operating Fund: Rental Operations (continued)

	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	Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves
Arbutus View	23	183,661	-	53,476	627	237,764	106,483	41,149	112,373	-	260,005	(22,241)	22,241
Amberlea	44	287,367	-	119,408	2,768	409,543	233,682	78,720	176,573	-	488,975	(79,432)	79,432
Cloverhurst	10	64,827	-	42,920	133	107,880	50,596	17,891	49,327	-	117,814	(9,934)	9,934
Hamlet	10	100,935	-	53,091	233	154,259	58,050	17,891	57,004	-	132,945	21,314	(21,314)
Viewmont	36	175,090	-	166,536	2,555	344,181	176,634	64,407	152,138	-	393,179	(48,998)	48,998
Creekside	24	207,604	-	111,686	1,200	320,490	129,221	42,938	147,813	-	319,972	518	(518)
The Birches	56	292,515	-	163,537	3,048	459,100	222,212	100,188	229,534	-	551,934	(92,834)	92,834
Caledonia	18	25,586	-	79,981	556	106,123	95,459	-	97,439	-	192,898	(86,775)	86,775
The Heathers	26	141,578	-	108,372	1,822	251,772	130,239	46,516	125,324	-	302,079	(50,307)	50,307
Heron Cove	24	182,963	-	63,582	818	247,363	103,293	42,938	131,230	-	277,461	(30,098)	30,098
Castanea Place	59	376,237	-	196,456	3,112	575,805	304,680	105,556	319,154	-	729,390	(153,585)	153,585
Leblond Place	43	254,618	-	342,600	3,534	600,752	267,020	76,930	356,669	-	700,619	(99,867)	99,867
Rotary House	41	246,477	-	216,649	1,467	464,593	220,263	73,352	200,345	-	493,960	(29,367)	29,367
<b>Homes BC</b>	632	4,061,045	-	2,393,270	32,469	6,486,784	3,297,833	1,098,497	3,014,480	-	7,410,810	(924,026)	924,026
Cairns Park	6	50,941	-	22,315	240	73,496	36,768	10,734	31,658	-	79,160	(5,664)	5,664
Kings Place	35	381,346	-	152,041	2,118	535,505	474,156	62,618	-	-	536,774	(1,269)	1,269
Carillon Place	15	184,052	-	33,478	542	218,072	92,882	26,836	93,480	-	213,198	4,874	(4,874)
Brock Place	30	332,593	-	69,892	3,838	406,323	165,824	53,672	227,708	-	447,204	(40,881)	40,881
Harbour Lane	28	287,804	-	88,749	3,115	379,668	155,880	50,094	198,635	-	404,609	(24,941)	24,941
Tillicum Station	40	471,994	-	95,884	1,884	569,762	242,141	71,560	269,723	-	583,424	(13,662)	13,662
	154	1,708,730	-	462,359	11,737	2,182,826	1,167,651	275,514	821,204	-	2,264,369	(81,543)	81,543
	1,142	10,035,371	-	3,118,951	76,929	13,231,251	6,270,982	1,900,002	4,944,255	-	13,115,239	116,012	(116,012)

Operating Fund: Rental Operations continued

	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
<b>ILBC2 Agreement</b>													
Parry Place	21	299,038	359,792	-	861	659,691	379,813	16,600	221,596	-	618,009	41,682	(41,682)
<b>RHFP Agreement</b>													
Millstream Ridge	132	2,087,297	-	-	38,791	2,126,088	571,821	114,048	1,599,719	(135,082)	2,150,506	(24,418)	24,418
Spencer Close	130	36,806	-	-	210	37,016	26,225	-	-	-	26,225	10,791	(10,791)
West Park	152	29,429	-	-	480	29,909	44,663	-	-	(14,754)	29,909	-	-
	414	2,153,532	-	-	39,481	2,193,013	642,709	114,048	1,599,719	(149,836)	2,206,640	(13,627)	13,627
<b>IHI Agreement</b>													
Westview	73	398,793	-	-	10,504	409,297	166,478	42,048	80,179	-	288,705	120,592	(120,592)
<b>No Operating Agreement</b>													
Portage Place Campus View Court	17	222,685	-	-	925	223,610	102,253	35,217	-	-	137,470	86,140	(86,140)
Royal Oak Square Village on the Green	38	507,018	-	-	2,716	509,734	203,318	78,719	-	-	282,037	227,697	(227,697)
Vergo	18	273,322	-	-	146	273,468	90,105	37,288	239,896	-	367,289	(93,821)	93,821
	123	1,596,412	-	-	9,851	1,606,263	652,830	254,802	374,186	-	1,281,818	324,445	(324,445)
	1,773	\$14,483,146	\$ 359,792	\$ 3,118,951	\$ 137,626	\$18,099,515	\$ 8,112,812	\$ 2,327,500	\$ 7,219,935	\$ (149,836)	\$17,510,411	\$ 589,104	\$ (589,104)