Capital Region Housing Corporation

2025
Financial Statements

British Columbia, Canada
Fiscal year ended December 31, 2025

CRHC
Capital Region Housing Corporation

Table of Contents

Independent Auditor's Report....2
Management Report....5

Financial 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 the Financial Statements....10

Schedules

Changes in Replacement Reserve Fund....24
Changes in Portfolio Stabilization Reserves....26
Capital Assets....28
Capital Fund: Mortgages Payable....30
Operating Fund: Rental Operations....31

KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone 250 480 3500
Fax 250 480 3539

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, 2025
- 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, 2025, 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.

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.

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.

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.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
May 13, 2026

Capital Region Housing Corporation

Capital Region Housing Corporation

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the Financial Information Act 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 auditor, KPMG LLP, conduct an independent examination, in accordance with Canadian public sector accounting standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the *Financial Information Act*. 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 auditor has full and free access to staff and management. The Independent Auditor's Report outlines the scope of the audit for the year ended December 31, 2025.

On behalf of the Capital Region Housing Corporation,

Nelson Chan, MBA, FCPA, FCMA
Chief Financial Officer and General Manager, Finance & Technology
May 13, 2026

Statement of Financial Position

As at December 31, 2025

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents (Note 2)	$ **29,218,938**	$ 18,778,037
Accounts receivable	**6,575,533**	7,017,377
Prepaid expenses	**2,656,968**	853,311
	38,451,439	26,648,725
Cash and cash equivalents restricted for replacement reserve (Note 2)	**7,675,718**	7,474,808
Capital assets (Note 3 and Schedule C)	**331,040,168**	300,820,662
	$ **377,167,325**	$ 334,944,195
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	**7,717,901**	6,615,555
Accrued mortgage interest	**402,841**	416,373
Due to Capital Regional District	**278,167**	1,470,186
Deferred revenue	**6,537,826**	749,300
Security deposits	**1,300,927**	1,224,668
Short-term capital financing (Note 4)	**53,563,767**	39,117,653
Mortgages payable principal current portion (Note 5 and Schedule D)	**5,803,391**	5,959,718
Mortgages payable principal renewal portion (Note 5 and Schedule D)	**1,914,112**	3,556,168
	77,518,932	59,109,621
Mortgages payable (Note 5 and Schedule D)	**177,168,429**	181,523,387
Asset retirement obligations (Note 6)	**6,985,206**	9,987,872
Capital stock (Note 7)	**1**	1
Net assets:		
Invested in capital assets (Note 8)	**98,971,189**	68,939,223
Externally restricted (Note 9)	**12,795,846**	11,908,022
Internally restricted (Note 9)	**875,504**	1,248,911
Unrestricted: Corporation stabilization reserve (Note 10)	**3,084,014**	2,512,794
	115,726,553	84,608,950
Accumulated remeasurement losses	**(231,796)**	(285,636)
	115,494,757	84,323,314
	$ **377,167,325**	$ 334,944,195

Commitments and contingencies (Note 11).

Subsequent events (Note 14).

See accompanying notes to the financial statements.

On behalf of the Board:

_____ Director

_____ Director

Statement of Operations

For the Year Ended December 31, 2025

	Operating Funds		Restricted Funds			
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund	Total 2025	Total 2024
Revenues:						
Tenant rent contributions	$ -	$ 26,026,913	$ -	$ -	**$ 26,026,913**	$ 24,955,692
BCHMC rent subsidy assistance	-	1,275,798	-	-	**1,275,798**	1,146,240
BCHMC umbrella operating agreement funding	-	2,010,015	-	-	**2,010,015**	2,420,616
Rental management fees - third parties	1,551	-	-	-	**1,551**	21,828
Investment income	223,310	-	281,328	389,139	**893,776**	1,187,045
Guest suites, net	3,983	286	-	-	**4,269**	974
Miscellaneous	29,882	477,963	-	-	**507,845**	327,965
Government contributions (Note 11d)	-	-	29,172,994	-	**29,172,994**	10,765,113
Gain on settlement of asset retirement obligation	-	-	2,263,112	-	**2,263,112**	-
	258,726	29,790,975	31,717,434	389,139	**62,156,273**	40,825,473
Expenses:						
Administration and property management	4,779,975	-	-	-	**4,779,975**	3,542,539
Amortization	-	-	9,293,231	-	**9,293,231**	8,726,790
Accretion	-	-	426,482	-	**426,482**	397,043
Property taxes	-	4,500	-	-	**4,500**	4,500
Insurance	-	1,760,604	-	-	**1,760,604**	1,626,313
Maintenance	-	2,342,833	-	-	**2,342,833**	2,089,373
Caretakers	-	1,874,952	-	-	**1,874,952**	2,265,098
Landscape	-	418,775	-	-	**418,775**	420,520
Electricity	-	450,685	-	-	**450,685**	383,207
Land and improvement leases	-	307,137	-	-	**307,137**	307,137
Water	-	1,691,577	-	-	**1,691,577**	1,671,879
Oil and gas	-	195,386	-	-	**195,386**	193,316
Garbage	-	542,319	-	-	**542,319**	403,074
Rental management fee	(4,458,104)	4,458,104	-	-	**-**	-
Audit and legal	-	35,310	-	-	**35,310**	44,432
Miscellaneous	-	286,638	-	-	**286,638**	224,691
Hospitality services (Parry Place)	-	494,315	-	-	**494,315**	496,552
Interest on mortgages payable	-	4,959,435	-	-	**4,959,435**	4,419,525
Loss on disposal of assets and asset retirement obligations	-	-	1,174,516	-	**1,174,516**	-
	321,871	19,822,570	10,894,229	-	**31,038,670**	27,215,989
Excess / (deficiency) of revenues over expenses	**$ (63,146)**	**$ 9,968,405**	**$ 20,823,205**	**$ 389,139**	**$ 31,117,603**	$ 13,609,484

See accompanying notes to the financial statements.

Statement of Changes in Net Assets & Remeasurement Gains & Losses

For the Year Ended December 31, 2025

	Operating Funds		Restricted Funds				
	Corporation	Rental Housing	Capital Fund	Replacement Reserve Fund	Remeasurement Gains / (Losses)	Total 2025	Total 2024
Net assets, beginning of year	$ 2,593,227	$ 5,601,692	$ 68,939,223	$ 7,474,808	$ (285,636)	$ 84,323,314	$ 70,525,532
Excess/(deficiency) of revenues over expenses	(63,146)	9,968,405	20,823,205	389,139	-	31,117,603	13,609,484
Interfund transfers:							
Mortgage principal repayments	-	(6,152,555)	6,152,555	-	-	-	-
Replacement reserve transfers	-	(3,366,325)	-	3,366,325	-	-	-
Replacement reserve expenditures	498,348	-	3,056,206	(3,554,554)	-	-	-
	498,348	(9,518,880)	9,208,761	(188,229)	-	-	-
Unrealized gain on investments	-	-	-	-	53,840	53,840	188,298
Net assets, end of year	$ 3,028,429	$ 6,051,217	$ 98,971,189	$ 7,675,718	$ (231,796)	$ 115,494,757	$ 84,323,314

See accompanying notes to the financial statements.

Statement of Cash Flows

For the Year Ended December 31, 2025

	2025	2024
Cash provided by (used in):		
Operating activities:		
Excess of revenues over expenses	**$ 31,117,603**	$ 13,609,484
Items not involving cash:		
Amortization	**9,293,231**	8,726,790
Net gain on asset disposal, ARO settlements and estimates	**(1,088,596)**	-
Short-term capital financing forgiven	**(420,176)**	-
Accretion	**426,482**	397,043
Changes in non-cash assets and liabilities:		
Decrease (increase) in accounts receivable	**441,844**	(986,034)
Decrease (increase) in inventory and prepaid expenses	**(1,803,657)**	37,257
(Decrease) increase in accounts payable and accrued liabilities	**1,102,346**	(538,860)
(Decrease) increase in accrued mortgage interest	**(13,532)**	35,153
Increase in deferred revenue	**5,788,526**	5,813
Increase in security deposits	**76,259**	9,737
(Decrease) increase due to Capital Regional District	**(1,192,019)**	1,185,553
Net change in cash from operating activities	**43,728,311**	22,481,936
Investing activities:		
Decrease (increase) in restricted cash and cash equivalents	**(147,835)**	1,256,660
Capital activities:		
Acquisition of capital assets	**(41,853,310)**	(47,073,786)
Net change in cash from capital activities	**(41,853,310)**	(47,073,786)
Financing activities:		
Repayment of mortgages payable	**(6,152,555)**	(7,958,159)
Proceeds from mortgages payable	**-**	23,504,064
Repayment of short term capital financing	**-**	(14,048,786)
Proceeds from short term capital financing	**14,866,290**	25,712,505
	8,713,735	27,209,624
Net change in cash and cash equivalents	**10,440,901**	3,874,434
Cash and cash equivalents, beginning of year	**18,778,037**	14,903,603
Cash and cash equivalents, end of year	**$ 29,218,938**	$ 18,778,037

See accompanying notes to the financial statements.

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. Since 2024, the agreement has been renewed without notice, with each deemed renewal being for a five year period on the same terms and conditions outlined in the original agreement signed.

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. In 2025, the Umbrella Operating Agreement contained 37 buildings and 1,062 units. Starting January 1, 2026, the Umbrella Agreement contains 36 buildings and 1012 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.

1. Significant Accounting Policies (continued)

f. Operating Agreements (continued)

i. Umbrella (continued)

b) BCHMC

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

c) Homes BC Program

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

ii. Independent Living BC II Program

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

iii. Regional Housing First Program

The Regional Housing First Program (RHFP) is a partnership between the Provincial and Federal governments and the CRD to provide 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.

1. Significant Accounting Policies (continued)

f. Operating Agreements (continued)

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 are provided as approved in the annual building operating budget.

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 1.02% (2024: average prime minus 0.84%).

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. 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.

3. Capital Assets

December 31, 2025	Cost	Accumulated Amortization	Net Book Value
Land	$ 10,947,690	$ -	$ 10,947,690
Prepaid leases	154,317,212	19,061,054	135,256,158
Buildings	265,363,557	92,251,788	173,111,769
Equipment and other	48,502,357	36,777,806	11,724,551
	$ 479,130,816	$ 148,090,648	$ 331,040,168

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

During the year, two buildings were demolished and a long-term lease expired, resulting in a loss on disposal of capital assets of $961,811 (2024:nil).

4. Short-term Capital Financing

Short-term capital financing of $53,563,767 (2024: $39,117,653) 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.

5. Mortgages Payable

Pursuant to Section 5 of the National Housing Act, CMHC has undertaken to insure all mortgages payable by the Corporation except the mortgage on Vergo. As additional security, the mortgagor holds chattel mortgage and assignment of rent.

Principal due within each of the next five years on these mortgages is as follows:		Assuming no mortgage renewal	Assuming mortgage renewal
	2026	$ 7,717,503	$ 5,961,692
	2027	12,694,126	5,840,552
	2028	5,159,008	5,531,061
	2029	33,477,666	5,475,443
	2030	$ 10,639,217	$ 5,352,698

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.

6. 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 15 years as buildings are demolished or renovated. Retirement costs are estimated to include all costs directly attributable to the abatement of 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%.

	2024	ARO Additions	ARO Settlements	Revisions to Estimate	Accretion Expense	2025
Hazardous Materials	$ 9,987,872	$ 212,705	$ (2,338,429)	$ (1,303,424)	$ 426,482	**$ 6,985,206**

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.

	2025	2024
Discount Rate	4.42 %	4.27 %
Inflation rate	2.82 %	2.70 %
Settlement Timing	1 to 15 years	9 to 16 years

During the year, three buildings with associated asset retirement obligations were disposed of. The estimated AROs exceeded the actual settlement costs, resulting in a gain of $1,862,586 (2024:nil).

7. 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.

8. Invested in Capital Assets

Investment in capital assets is calculated as follows:

	December 31, 2025	December 31, 2024
Capital assets	$ 331,040,168	$ 300,820,662
Accounts receivable	6,012,123	6,575,092
Interfund due from rental housing operating fund	(168,573)	1,688,267
Prepaid expense	1,675,456	-
Deferred Revenue	5,846,919	-
Mortgages payable	(184,885,931)	(191,039,273)
Short-term capital financing	(53,563,767)	(39,117,653)
Net asset retirement obligations	(6,985,206)	(9,987,872)
	$ 98,971,189	$ 68,939,223

9. Restricted Net Assets

Externally restricted net assets:

	December 31, 2025	December 31, 2024
Replacement reserve fund	$ 7,675,718	$ 7,474,808
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,949)
Portfolio stabilization reserve - umbrella agreement	4,684,930	3,490,844
Portfolio stabilization reserve - ILBC2 agreement	(222,530)	(264,340)
Portfolio stabilization reserve - RHFP agreement	413,614	601,607
Portfolio stabilization reserve - IHI	780,730	629,186
Portfolio stabilization reserve - CHF	(532,667)	(20,134)
	$ 12,795,846	$ 11,908,022

9. Restricted Net Assets (continued)

Internally restricted net assets:

	December 31, 2025	December 31, 2024
Portfolio stabilization reserve - no operating agreement	$ 931,089	$ 1,168,478
Guest suite surplus	46,464	42,475
Vehicle replacement reserve	(105,373)	16,430
Equipment replacement reserve	3,324	21,528
	$ 875,504	$ 1,248,911

Rental housing operating fund balance:

	December 31, 2025	December 31, 2024
Portfolio stabilization reserve - umbrella agreement	$ 4,684,930	$ 3,490,844
Portfolio stabilization reserve - ILBC2 agreement	(222,530)	(264,340)
Portfolio stabilization reserve - RHFP agreement	413,614	601,607
Portfolio stabilization reserve - IHI agreement	780,730	629,186
Portfolio stabilization reserve - CHF agreement	(532,667)	(20,134)
Portfolio stabilization reserve - no operating agreement	931,089	1,168,478
CMHC/BCHMC/Homes BC operating agreements	(3,949)	(3,949)
	$ 6,051,217	$ 5,601,692

The Portfolio stabilization reserves are detailed in Schedule B.

10. Unrestricted Net Assets

Unrestricted net assets - corporation stabilization reserve:

	December 31, 2025	December 31, 2024
Operating net assets, ending balance	$ 3,028,429	$ 2,593,227
Less: Internally restricted net assets		
Guest suite surplus	(46,464)	(42,475)
Vehicle replacement reserve	105,373	(16,430)
Equipment replacement reserve	(3,324)	(21,528)
	$ 3,084,014	$ 2,512,794

11. 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.

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.

On May 7, 2025, as part of the RHFP, the CRD purchased Verdier and entered into a 60-year prepaid lease in the amount of $6,135,809 and a 35-year operator agreement with the Corporation prior to start of construction.

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.

11. 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 2024, BCHMC increased its agreement with the Corporation to fund the Carey Lane BER with a 35-year forgivable mortgage up to $9,939,332 from $5,450,000.

d. Government Contributions

The Corporation receives 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.

12. Pension Liability

The Corporation and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusteed 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, 2024 the Plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributiors from local governments.

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, 2024 indicated a $2.675 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2027.

The Corporation's employer contributions to the Plan for the fiscal year ended December 31, 2025 were $390,814 (2024: $292,881).

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.

13. 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, 2025 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, 2025 is $0 (2024: $0). There have been no significant changes to the credit risk exposure from 2024.

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 5. There have been no significant changes to the liquidity risk exposure from 2024.

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 2024.

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.

13. 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, 2025 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 2024.

iii. 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 tariff.

14. Subsequent Events

Effective March 1, 2026 CRHC transferred ownership of the Parry Place building to Beacon Community Services together with the related mortgage, replacement reserves, and other balances. As of December 31, 2025 the building had a carrying value of $3,806,879. The mortgage assumed totaled $2,897,567, and the replacement reserve and secuity deposits transferred amounted to $196,869.

This page left intentionally blank.

Changes in Replacement Reserve Fund

For the Year Ended December 31, 2025

	Balance at December 31 2024	Transfer from Rental Operating Fund	Interest	Administration Allocation	Transfer to Capital Fund	2025
Umbrella Agreement						
James Yates Gardens	$ 4,610	$ 17,280	$ -	$ (8,979)	$ (59,250)	$ (46,339)
Pinehurst	(809,978)	43,200	-	(9,789)	(139,198)	(915,766)
The Brambles	203,014	38,880	7,927	(11,655)	(17,120)	221,047
The Terraces	785,974	43,200	29,567	(16,255)	(46,803)	795,683
Olympic View	(1,435,342)	129,600	-	(95,563)	(245,084)	(1,646,390)
Swanlea	215,481	30,240	8,444	(12,702)	(5,234)	236,227
Firgrove	122,935	69,120	5,253	(8,888)	(30,366)	158,053
Beechwood Park	177,145	103,680	7,384	(27,222)	(43,159)	217,827
Grey Oak Square	78,117	51,840	2,905	(9,871)	(45,713)	77,278
Willowdene	37,775	32,400	1,918	(5,541)	(1,702)	64,850
Rosewood	295,429	95,040	12,945	(4,935)	(1,445)	397,034
Gladstone	102,619	30,240	2,285	(5,942)	(109,570)	19,632
Camosun Place	96,599	17,280	3,179	(3,724)	(39,882)	73,452
Parkview	132,490	56,160	4,765	(5,304)	(65,717)	122,394
Carey Lane	(2,800)	47,520	-	(5,991)	(42,183)	(3,454)
Colquitz Green	(18,433)	43,200	-	(11,409)	(35,743)	(22,385)
Springtide	220,970	103,680	9,464	(6,122)	(42,689)	285,303
Greenlea	65,144	45,360	2,541	(6,130)	(36,116)	70,799
Arbutus View	(33,302)	49,680	-	(5,271)	(64,247)	(53,140)
Amberlea	373,636	95,040	14,504	(9,200)	(71,746)	402,234
Cloverhurst	43,733	21,600	1,532	(9,257)	(19,399)	38,209
Hamlet	(20,781)	21,600	-	(2,889)	(83,689)	(85,759)
Viewmont	342,989	77,760	14,039	(7,047)	(19,752)	407,989
Creekside	(46,589)	51,840	-	(5,836)	(46,279)	(46,864)
The Birches	(122,632)	120,960	-	(32,493)	(49,194)	(83,359)
The Heathers	204,832	56,160	8,384	(6,220)	(19,512)	243,644
Heron Cove	213,706	51,840	7,504	(4,731)	(80,592)	187,727
Castanea Place	570,216	127,440	21,711	(7,145)	(121,016)	591,206
Leblond Place	56,738	92,880	1,209	(6,400)	(136,469)	7,958
Rotary House	71,004	88,560	111	(5,656)	(219,100)	(65,081)
Cairns Park	(14,816)	12,960	-	(3,159)	(25,728)	(30,743)
Kings Place	53,264	75,600	-	(5,230)	(198,618)	(74,984)
Carillon Place	83,673	32,400	3,140	(6,343)	(28,561)	84,309
Brock Place	118,375	64,800	4,079	(14,716)	(72,738)	99,800
Harbour Lane	438,258	60,480	16,972	(11,458)	(34,601)	469,651
Tillicum Station	476,634	86,397	18,962	(5,696)	(38,609)	537,688
Unallocated	1,114,047	108,000	42,546	(4,608)	(98,104)	1,161,881
	4,194,733	2,293,917	253,272	(409,377)	(2,434,927)	3,897,612
ILBC2 Agreement						
Parry Place	179,467	16,600	6,810	(8,037)	(10,030)	184,812
No Operating Agreement						
Village on the Green	(109,589)	82,080	-	(5,115)	-	(32,625)
Vergo	156,281	38,880	6,012	(8,758)	(27,094)	165,322
Portage Place	256,781	36,720	9,498	(14,323)	(37,346)	251,331
Campus View Court	222,822	25,920	8,881	(4,019)	(1,355)	252,251
Royal Oak Square	222,322	82,080	8,334	(7,096)	(82,133)	223,507
334 Michigan	369,875	19,440	14,317	(2,357)	(5,305)	395,970
	1,118,492	285,120	47,042	(41,668)	(153,233)	1,255,755

Changes in Replacement Reserve Fund

For the Year Ended December 31, 2025

	Balance at December 31 2024	Transfer from Rental Operating Fund	Interest	Administration Allocation	Transfer to Capital Fund	2025
RHFP Agreement						
Millstream Ridge	513,441	114,048	18,313	(13,717)	(165,910)	466,175
Spencer Close	306,302	112,320	10,654	(7,137)	(158,533)	263,606
West Park	478,797	131,328	20,079	(3,061)	(31,847)	595,296
Hockley House	310,630	103,680	13,117	(8,078)	(28,322)	391,027
Prosser Place	80,103	44,064	3,708	(483)	(9,118)	118,274
330 Michigan	(7,617)	45,792	914	(1,408)	(12,776)	24,906
	1,681,656	551,232	66,785	(33,884)	(406,506)	1,859,284
IHI Agreement						
Westview	211,992	63,072	8,444	(2,586)	(41,216)	239,706
CHF Agreement						
Twenty-Seven Eighty-Two	68,296	50,112	3,345	(1,997)	(9,097)	110,659
332 Michigan	(440)	38,016	1,356	(802)	(1,196)	36,934
Caledonia - CHF	20,612	68,256	2,086	-	-	90,954
	88,468	156,384	6,787	(2,799)	(10,293)	238,547
	$ 7,474,808	$ 3,366,325	$ 389,139	$ (498,348)	$ (3,056,206)	$ 7,675,718

Changes in Portfolio Stabilization Reserves

For the Year Ended December 31, 2025

	Balance at December 31, 2024	Reimburse BCHMC	Transfer (to) Replacement Reserve Fund	Transfer from/(to) Rental Operating Fund	Transfer (to) Capital Fund	Balance at December 31, 2025
			(Schedule A)	(Schedule E)		
UOA						
CMHC	$ 11,710,123	$ -	$ -	$ 1,824,707	$ -	$ 13,534,830
BCHMC	(7,754,758)	-	-	(772,365)	-	(8,527,123)
Homes BC	(464,521)	-	-	141,744	-	(322,777)
	3,490,844	-	-	1,194,086	-	4,684,930
ILBC2						
Parry Place	(264,340)	-	-	41,810	-	(222,530)
RHFP						
Millstream Ridge	(671,458)	-	-	(275,193)	-	(946,651)
Spencer Close	826,384	-	-	170,339	-	996,723
West Park	421,854	-	-	189,250	-	611,104
Hockley House	(31,394)	-	-	(137,203)	-	(168,597)
Prosser Place	135,403	-	-	(26,311)	-	109,092
330 Michigan	(79,182)	-	-	(108,875)	-	(188,057)
	601,607	-	-	(187,993)	-	413,614
IHI						
Westview	629,186	-	-	151,544	-	780,730
CHF						
Twenty-Seven Eighty-Two	27,544	-	-	(128,745)	-	(101,201)
332 Michigan	(47,678)	-	-	(90,097)	-	(137,775)
Caledonia	-	-	-	(293,691)	-	(293,691)
	(20,134)	-	-	(512,533)	-	(532,667)
NOA						
Portage Place	473,443	-	-	97,956	-	571,399
Campus View Court	374,090	-	-	(41,296)	-	332,794

Changes in Portfolio Stabilization Reserves

For the Year Ended December 31, 2025

	Balance at December 31, 2024	Reimburse BCHMC	Transfer (to) Replacement Reserve Fund	Transfer from/(to) Rental Operating Fund	Transfer (to) Capital Fund	Balance at December 31, 2025
			(Schedule A)	(Schedule E)		
Royal Oak Square	336,499	-	-	21,586	-	358,085
Village on the Green	934,386	-	-	(170,869)	-	763,517
334 Michigan	25,753	-	-	(17,628)	-	8,125
Vergo	(975,693)	-	-	(127,138)	-	(1,102,831)
	1,168,478	-	-	(237,389)	-	931,089
	$ 5,605,641	$ -	$ -	$ 449,525	$ -	$ 6,055,166

Capital Region Housing Corporation

Schedule C

Capital Assets

For the Year Ended December 31, 2025

	Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization & Disposals	2025	2024
In Operation										
Umbrella Agreement										
Oakwinds	Feb/85	$ -	$ 830,075	$ -	$ (98,104)	$ 98,104	$ 830,075	$ (830,075)	**$ -**	$ 443,658
James Yates Gardens	Oct/84	103,200	-	415,223	502,185	59,250	1,079,858	(756,938)	**322,920**	326,975
Pinehurst	Feb/85	277,692	-	1,269,710	2,115,537	139,198	3,802,137	(2,471,924)	**1,330,213**	1,489,632
The Brambles	Jun/85	275,975	-	1,126,752	884,523	17,120	2,304,370	(1,891,689)	**412,681**	479,011
The Terraces	May/85	356,532	-	1,185,021	899,672	46,803	2,488,028	(2,019,684)	**468,344**	507,287
Olympic View	Apr/86	900,000	-	3,543,556	4,214,019	245,084	8,902,659	(6,253,748)	**2,648,911**	2,996,612
Swanlea	Dec/85	230,215	-	809,965	530,559	5,234	1,575,973	(1,278,897)	**297,076**	349,356
Firgrove	Feb/86	480,000	-	1,888,262	1,364,926	30,366	3,763,554	(3,082,155)	**681,399**	789,043
Beechwood Park	Feb/86	888,000	-	2,317,623	3,249,308	43,159	6,498,090	(5,273,400)	**1,224,690**	1,260,309
Grey Oak Square	Apr/86	409,015	-	1,290,393	1,091,788	45,713	2,836,909	(2,246,107)	**590,802**	584,823
Willowdene	Sep/87	-	-	884,186	770,619	1,702	1,656,507	(1,556,122)	**100,385**	123,567
Rosewood	Oct/88	-	255,000	1,864,715	1,032,899	1,445	3,154,059	(2,891,629)	**262,430**	307,286
Gladstone	Jan/89	-	197,000	912,600	561,058	109,570	1,780,228	(1,547,755)	**232,473**	151,728
Camosun Place	Mar/89	-	108,000	489,700	266,934	39,882	904,516	(789,195)	**115,321**	90,734
Parkview	May/89	-	283,250	1,900,175	1,125,760	65,717	3,374,902	(3,040,861)	**334,041**	420,839
Carey Lane	Aug/89	-	283,250	1,443,751	1,099,110	42,183	2,868,294	(2,570,445)	**297,849**	302,434
Colquitz Green	Nov/89	-	160,250	1,504,000	931,202	35,743	2,631,195	(2,399,569)	**231,626**	236,635
Springtide	May/90	-	324,500	2,658,076	1,182,681	42,689	4,207,946	(3,811,352)	**396,594**	563,157
Greenlea	Feb/90	-	305,750	1,560,300	957,872	36,116	2,860,038	(2,590,679)	**269,359**	270,589
Arbutus View	Jul/90	-	370,250	1,592,750	1,181,060	64,247	3,208,307	(2,816,025)	**392,282**	387,220
Amberlea	May/90	-	447,501	2,578,479	1,136,821	71,746	4,234,547	(3,776,314)	**458,233**	454,813
Cloverhurst	May/90	-	197,000	651,500	338,613	19,399	1,206,512	(1,036,903)	**169,609**	173,772
Hamlet	Oct/90	-	152,000	803,000	480,358	83,689	1,519,047	(1,302,486)	**216,561**	163,886
Viewmont	Aug/91	-	402,140	2,378,046	917,393	19,752	3,717,331	(3,418,798)	**298,533**	383,702
Creekside	Apr/92	-	388,250	2,363,830	1,173,068	46,279	3,971,427	(3,488,997)	**482,430**	566,037
The Birches	Aug/92	-	675,000	3,684,875	1,565,614	49,194	5,974,683	(4,969,691)	**1,004,992**	1,122,020
The Heathers	Apr/93	-	436,279	1,974,683	617,803	19,512	3,048,277	(2,585,090)	**463,187**	543,432
Heron Cove	Oct/93	-	270,000	2,274,691	650,669	80,592	3,275,952	(2,846,422)	**429,530**	452,867
Castanea Place	Feb/95	-	1,277,000	4,841,879	1,469,101	121,016	7,708,996	(6,149,231)	**1,559,765**	1,680,542
Leblond Place	Sep/96	-	900,000	4,506,232	1,435,255	136,469	6,977,956	(5,484,804)	**1,493,152**	1,583,225
Rotary House	Nov/06	-	556,600	2,994,000	939,833	219,100	4,709,533	(3,512,719)	**1,196,814**	1,195,598
Cairns Park	Dec/96	-	240,000	415,314	246,887	25,728	927,929	(677,101)	**250,828**	255,625
Kings Place	N/A	-	-	-	983,827	198,618	1,182,445	(772,863)	**409,582**	288,531
Carillon Place	Jul/98	-	525,000	1,280,389	784,704	28,561	2,618,654	(1,934,267)	**684,387**	734,665
Brock Place	Jan/00	-	840,000	3,465,836	1,233,835	72,738	5,612,409	(3,968,679)	**1,643,730**	1,744,052

Capital Assets

For the Year Ended December 31, 2025

	Completed	Land	Prepaid Lease	Buildings	Equipment and Other	Transfer from Replacement Reserve Fund	Total	Accumulated Amortization & Disposals	2025	2024
Harbour Lane	Oct/01	-	825,000	3,607,266	402,262	34,601	4,869,129	(3,263,441)	**1,605,688**	1,707,024
Tillicum Station	Jul/02	-	948,750	4,300,764	716,807	38,609	6,004,930	(3,916,149)	**2,088,781**	2,226,004
Building Envelope Remediation										
Amberlea	2008	-	-	2,367,415	-	-	2,367,415	(2,367,415)	**-**	-
Cloverhurst	2008			1,105,204			1,105,204	(1,105,204)	**-**	-
The Birches	2006	-	-	1,635,610	-	-	1,635,610	(1,635,610)	**-**	153,418
Heron Cove	2007	-	-	1,756,374	-	-	1,756,374	(1,596,519)	**159,855**	239,690
Castanea Place	2007	-	-	2,531,350	-	-	2,531,350	(2,096,092)	**435,258**	544,133
Leblond Place	2009	-	-	3,337,941	-	-	3,337,941	(2,606,271)	**731,670**	877,858
The Heathers	2016	-	-	1,258,358	-	-	1,258,358	(1,048,289)	**210,069**	315,666
ILBC2 Agreement										
Parry Place	Jun/08	1,400,000	-	4,794,269	292,107	10,030	6,496,406	(2,689,527)	**3,806,879**	3,953,415
RHFP Agreement										
Millstream Ridge	Feb/19	-	35,428,849	-	215,396	165,910	35,810,155	(4,253,111)	**31,557,044**	32,026,267
Spencer Close	Nov/20	-	30,257,329	-	178,561	158,533	30,594,423	(2,642,052)	**27,952,371**	28,342,924
West Park	Nov/20	-	31,253,897	-	94,825	31,847	31,380,569	(2,689,142)	**28,691,427**	29,197,853
Hockley House	Apr/21	-	25,409,982	-	109,063	28,322	25,547,367	(2,050,367)	**23,497,000**	23,913,105
Prosser Place	Apr/23	-	13,230,027	-	5,274	9,118	13,244,419	(609,307)	**12,635,112**	12,848,221
330 Michigan	Sep/24	-	-	19,166,538	7,084	12,776	19,186,398	(727,068)	**18,459,330**	18,465,665
IHI Agreement										
Westview	May/20	-	-	14,937,177	105,162	41,216	15,083,555	(2,452,124)	**12,631,431**	13,034,442
CHF Agreement										
Twenty-Seven Eighty-Two	Nov/22	-	-	19,818,317	35,377	9,097	19,862,791	(1,817,925)	**18,044,866**	18,609,167
332 Michigan	Sep/24	-	-	15,429,884	203	1,196	15,431,283	(586,728)	**14,844,555**	15,193,289
Caledonia	Nov/25	-	-	72,914,968	-	-	72,914,968	(396,690)	**72,518,278**	-
No Operating Agreement										
Village on the Green	Sep/24	910,171	-	-	-	-	910,171	-	**910,171**	1,435,198
Vergo	May/12	1,144,327	-	4,226,788	159,785	27,094	5,557,994	(1,804,265)	**3,753,729**	3,861,985
Portage Place	Aug/83	328,659	-	1,034,955	775,152	37,346	2,176,112	(1,707,591)	**468,521**	496,409
Campus View Court	Sep/83	341,224	-	-	(1,355)	1,355	341,224	-	**341,224**	450,536
Royal Oak Square	Mar/84	666,280	-	2,217,838	2,092,834	82,133	5,059,085	(3,970,788)	**1,088,297**	1,197,406
334 Michigan	Sep/85	784,763	-	1,898,308	1,533,602	5,305	4,221,978	(3,356,750)	**865,228**	895,118
Buildings Under Construction		1,451,637	6,539,283	24,154,722	-	-	32,145,642	-	**32,145,642**	67,270,438
Office Equipment		-	-	-	631,986	-	631,986	(557,162)	**74,824**	72,563
Vehicles		-	-	-	254,635	-	254,635	(102,446)	**152,189**	69,206
		$ 10,947,690	$ 154,317,212	$ 265,363,557	$ 45,446,149	$ 3,056,206	$ 479,130,814	$ (148,090,646)	**$ 331,040,168**	$ 300,820,662

Capital Fund - Mortgages Payable

For the Year Ended December 31, 2025

Rental Property	Interest Rate	Renewal Date	Maturity Date	2025	2024
Umbrella Agreement					
Springtide	0.680%		May 1, 2025	$ -	$ 65,914
Greenlea	0.690%		March 1, 2025	-	26,463
Arbutus View	0.680%		July 1, 2025	-	62,609
Amberlea	0.680%		May 1, 2025	-	70,415
Cloverhurst	0.680%		May 1, 2025	-	19,671
Hamlet	0.740%		October 1, 2025	-	44,466
Viewmont	1.120%		August 1, 2026	97,735	242,979
Creekside	2.600%		April 1, 2027	193,560	334,391
The Birches	2.550%		August 1, 2027	374,147	591,203
The Heathers	2.600%		April 1, 2028	283,516	399,876
Heron Cove	4.180%		October 1, 2028	363,427	481,867
Castanea Place	3.190%		February 1, 2030	1,247,617	1,532,450
Leblond Place - 1st mortgage	1.280%		September 1, 2031	1,167,101	1,361,481
Leblond Place - 2nd mortgage	3.751%	March 1, 2035	March 1, 2045	2,114,057	2,191,340
Rotary House	2.510%		March 1, 2028	438,073	624,949
Cairns Park	2.589%		December 1, 2031	183,531	211,459
Carillon Place	4.700%	June 1, 2029	July 1, 2033	634,857	703,095
Brock Place	2.840%	January 1, 2030	January 1, 2035	1,822,541	1,996,126
Harbour Lane	2.200%	October 1, 2026	October 1, 2036	1,914,112	2,068,985
Tillicum Station	4.250%	July 1, 2034	July 1, 2037	2,616,853	2,788,523
ILBC2 Agreement					
Parry Place	4.540%	May 1, 2034	May 1, 2043	2,925,234	3,032,851
RHFP Agreement					
Millstream Ridge	2.860%	February 1, 2029	March 1, 2054	31,097,897	31,805,579
Spencer Close	1.519%	January 1, 2031	February 1, 2056	27,094,428	27,800,216
West Park	1.519%	January 1, 2031	February 1, 2056	27,405,283	28,119,169
Hockley House	2.459%	June 1, 2031	July 1, 2056	23,376,930	23,886,632
Prosser Place	3.580%	July 1, 2033	June 1, 2058	9,071,926	9,217,778
330 Michigan	3.815%	October 1, 2034	October 1, 2059	12,300,387	12,476,408
IHI Agreement					
Westview	1.631%	September 1, 2030	September 1, 2055	6,610,787	6,782,218
No Operating Agreement					
Royal Oak Square	4.320%	July 1, 2027	July 1, 2057	4,296,249	4,359,143
Vergo	2.250%	September 1, 2027	September 1, 2042	3,104,840	3,221,719
CHF Agreement					
Twenty-Seven Eighty-Two	3.710%	January 1, 2033	January 1, 2058	13,331,943	13,545,577
332 Michigan	3.815%	October 1, 2034	October 1, 2059	10,818,900	10,973,721
				184,885,931	191,039,273
Principal Current Portion				(5,803,391)	(5,959,718)
Principal Renewal Portion				(1,914,112)	(3,556,168)
				$ 177,168,429	$ 181,523,387

Operating Fund - Rental Operations

For the Year Ended December 31, 2025

		Revenues					Expenditures and Interfund Transfers					
	Number of units	Tenant rent contributions	BCHMC Rental Subsidy	BCHMC fixed funding	Other	Total	Operating costs	Transfer to Replacement Reserve	Debt charges	Total	Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves
Umbrella Agreement												
CMHC												
Oakwinds	50	$ 752,911	$ -	$ -	$ 2,425	$ 755,336	$ 333,837	$ 108,000	$ -	$ 441,837	$ 313,499	$ (313,499)
James Yates Gardens	8	102,272	-	-	50	102,322	64,797	17,280	-	82,077	20,245	(20,245)
Pinehurst	20	316,768	-	-	2,217	318,985	127,391	43,200	-	170,591	148,394	(148,394)
The Brambles	18	307,510	-	-	2,464	309,974	150,770	38,880	-	189,650	120,324	(120,324)
The Terraces	20	303,563	-	-	1,895	305,458	136,550	43,200	-	179,750	125,708	(125,708)
Olympic View	60	959,159	-	-	9,193	968,352	423,930	129,600	-	553,530	414,822	(414,822)
Swanlea	14	181,694	-	-	486	182,180	109,610	30,240	-	139,850	42,330	(42,330)
Firgrove	32	491,620	-	-	2,678	494,298	218,096	69,120	-	287,216	207,082	(207,082)
Beechwood Park	48	727,854	-	-	8,157	736,011	325,688	103,680	-	429,368	306,643	(306,643)
Grey Oak Square	24	361,742	-	-	3,928	365,670	188,170	51,840	-	240,010	125,660	(125,660)
	294	4,505,093	-	-	33,493	4,538,586	2,078,839	635,040	-	2,713,879	1,824,707	(1,824,707)
BCHMC												
Willowdene	15	163,057	-	-	380	163,437	172,430	32,400	-	204,830	(41,393)	41,393
Rosewood	44	282,096	-	-	1,977	284,073	284,961	95,040	154	380,155	(96,082)	96,082
Gladstone	14	183,468	-	-	100	183,568	118,176	30,240	-	148,416	35,152	(35,152)
Camosun Place	8	129,210	-	-	-	129,210	82,725	17,280	-	100,005	29,205	(29,205)
Parkview	26	352,399	-	-	116	352,515	194,447	56,160	-	250,607	101,908	(101,908)
Carey Lane	22	-	-	-	-	-	139,168	47,520	-	186,688	(186,688)	186,688
Colquitz Green	20	314,023	-	978	1,785	316,786	174,941	43,200	-	218,141	98,645	(98,645)
Springtide	48	331,875	-	42,125	1,737	375,737	445,391	103,680	52,970	602,041	(226,304)	226,304
Greenlea	21	287,256	-	9,736	1,909	298,901	146,713	45,360	17,821	209,894	89,007	(89,007)
Arbutus View	23	301,951	-	26,300	228	328,479	164,733	49,680	53,935	268,348	60,131	(60,131)
Amberlea	44	376,147	-	41,776	9,502	427,425	366,749	95,040	56,576	518,365	(90,940)	90,940
Cloverhurst	10	91,010	-	14,879	25	105,914	78,929	21,600	15,913	116,442	(10,528)	10,528

Capital Region Housing Corporation

Schedule E

Operating Fund - Rental Operations

For the Year Ended December 31, 2025

		Revenues					Expenditures and Interfund Transfers					
	Number of units	Tenant rent contributions	BCHMC Rental Subsidy	BCHMC fixed funding	Other	Total	Operating costs	Transfer to Replacement Reserve	Debt charges	Total	Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves
Hamlet	10	124,300	-	38,840	50	163,190	84,626	21,600	40,303	146,529	16,661	(16,661)
Viewmont	36	261,266	-	163,520	1,717	426,503	217,763	77,760	147,215	442,738	(16,235)	16,235
Creekside	24	299,334	-	113,277	276	412,887	172,869	51,840	147,813	372,522	40,365	(40,365)
The Birches	56	372,797	-	165,971	2,873	541,641	312,432	120,960	229,534	662,926	(121,285)	121,285
The Heathers	26	170,612	-	110,010	14,360	294,982	237,417	56,160	125,324	418,901	(123,919)	123,919
Heron Cove	24	271,865	-	70,109	920	342,894	176,544	51,840	136,167	364,551	(21,657)	21,657
Castanea Place	59	543,641	-	195,750	1,808	741,199	373,859	127,440	312,506	813,805	(72,606)	72,606
Leblond Place	43	348,380	-	284,894	1,674	634,948	353,774	92,880	361,184	807,838	(172,890)	172,890
Rotary House	41	336,074	-	218,691	3,937	558,702	332,709	88,560	200,345	621,614	(62,912)	62,912
	614	5,540,761	-	1,496,856	45,374	7,082,991	4,631,356	1,326,240	1,897,760	7,855,356	(772,365)	772,365
Homes BC												
Cairns Park	6	82,746	-	24,811	62	107,619	50,503	12,960	33,045	96,508	11,111	(11,111)
Kings Place	35	462,592	-	167,055	2,628	632,275	513,087	75,600	-	588,687	43,588	(43,588)
Carillon Place	15	224,804	-	40,871	715	266,390	104,665	32,400	99,521	236,586	29,804	(29,804)
Brock Place	30	445,319	-	75,815	3,966	525,100	193,893	64,800	227,708	486,401	38,699	(38,699)
Harbour Lane	28	394,145	-	90,458	2,765	487,368	194,514	60,480	198,635	453,629	33,739	(33,739)
Tillicum Station	40	560,849	-	114,149	758	675,756	318,620	86,397	285,936	690,953	(15,197)	15,197
	154	2,170,455	-	513,159	10,894	2,694,508	1,375,282	332,637	844,845	2,552,764	141,744	(141,744)
	1,062	12,216,309	-	2,010,015	89,761	14,316,085	8,085,477	2,293,917	2,742,605	13,121,999	1,194,086	(1,194,086)
ILBC2 Agreement												
Parry Place	21	330,780	627,783	-	12,529	971,092	670,976	16,600	241,706	929,282	41,810	(41,810)
RHFP Agreement												
Millstream Ridge	132	2,301,433	-	-	68,795	2,370,228	931,886	114,048	1,599,487	2,645,421	(275,193)	275,193
Spencer Close	130	2,191,727	-	-	72,740	2,264,467	861,415	112,320	1,120,393	2,094,128	170,339	(170,339)
West Park	152	2,207,764	-	-	88,874	2,296,638	842,813	131,328	1,133,247	2,107,388	189,250	(189,250)
Hockley House	120	1,720,577	-	-	46,999	1,767,576	714,540	103,680	1,086,559	1,904,779	(137,203)	137,203

Operating Fund - Rental Operations

For the Year Ended December 31, 2025

		Revenues					Expenditures and Interfund Transfers					
	Number of units	Tenant rent contributions	BCHMC Rental Subsidy	BCHMC fixed funding	Other	Total	Operating costs	Transfer to Replacement Reserve	Debt charges	Total	Surplus (Deficit) from operations after interfund transfers	Allocation from/(to) Portfolio Stabilization Reserves
Prosser Place	51	759,362	-	-	21,275	780,637	292,710	44,064	470,174	806,948	(26,311)	26,311
330 Michigan	53	847,067	-	-	24,935	872,002	291,063	45,792	644,022	980,877	(108,875)	108,875
	638	10,027,930	-	-	323,618	10,351,548	3,934,427	551,232	6,053,882	10,539,541	(187,993)	187,993
IHI Agreement												
Westview	73	947,090	-	-	30,160	977,250	482,465	63,072	280,169	825,706	151,544	(151,544)
CHF Agreement												
Twenty-Seven Eighty-Two	58	582,575	380,698	-	175	963,448	334,665	50,112	707,416	1,092,193	(128,745)	128,745
332 Michigan	44	490,162	267,317	-	17,025	774,504	260,131	38,016	566,454	864,601	(90,097)	90,097
Caledonia	158	-	-	-	-	-	225,435	68,256	-	293,691	(293,691)	293,691
	260	1,072,737	648,015	-	17,200	1,737,952	820,231	156,384	1,273,870	2,250,485	(512,533)	512,533
No Operating Agreement												
Portage Place	17	266,542	-	-	675	267,217	132,541	36,720	-	169,261	97,956	(97,956)
Campus View Court	-	61,008	-	-	450	61,458	76,834	25,920	-	102,754	(41,296)	41,296
Royal Oak Square	38	600,243	-	-	2,111	602,354	250,568	82,080	248,120	580,768	21,586	(21,586)
Village on the Green	-	93,411	-	-	249	93,660	182,449	82,080	-	264,529	(170,869)	170,869
334 Michigan	9	98,185	-	-	600	98,785	96,973	19,440	-	116,413	(17,628)	17,628
Vergo	18	312,678	-	-	896	313,574	130,194	38,880	271,638	440,712	(127,138)	127,138
	82	1,432,067	-	-	4,981	1,437,048	869,559	285,120	519,758	1,674,437	(237,389)	237,389
	2,136	$ 26,026,913	$ 1,275,798	$ 2,010,015	$ 478,249	$ 29,790,975	$ 14,863,135	$ 3,366,325	$ 11,111,990	$ 29,341,450	$ 449,525	$ (449,525)

This page left intentionally blank.

CRHC | Capital Region Housing Corporation

631 Fisgard Street
Victoria, BC V8W 1R7
250.388.6422

www.crd.bc.ca
Facebook: Capital Regional District