

February 2025 Mortgage Renewal

Item 10B

December 12, 2024

Board of Directors

Toronto Community Housing

**Report: TCHC:2024-74****To:** Board of Directors (the “Board”)**From:** Building Investment, Finance and Audit Committee (“BIFAC”)**Date:** November 4, 2024**PURPOSE:**

To seek approval from the Board of Directors to renew one mortgage on the property identified in the Confidential Attachment 1 to this report with a lender selected by the Ministry of Municipal Affairs and Housing. The mortgage will mature on February 1, 2030.

RECOMMENDATIONS:

It is recommended that the Board:

1. Approve the transaction in the amount of \$4,726,747.29 with a lender selected by the Ministry of Municipal Affairs and Housing, in connection with the mortgage due for renewal on February 1, 2025 at the location identified in Confidential Attachment 1 to this report; and
2. Authorize the Chief Financial Officer to take all necessary actions, including negotiation and execution of such documentation as may be required, in order to give effect to the above recommendation.

BIFAC:

The recommendations were approved by the BIFAC on November 4, 2024.

REASONS FOR RECOMMENDATIONS:

The current MCAP (previously named TD Canada Trust) mortgage in the original amount of \$13,900,498 started in 2000 as a 25-year term mortgage with a fixed interest rate of 7.31%. The renewal balance as at February 1, 2025 is \$4,726,747.29

Under the Ontario Competitive Financing Renewal Process, the Ministry of Municipal Affairs and Housing (“the Ministry”) has assumed responsibility for facilitating and coordinating the renewal of the subject mortgage. A resolution of the Board of Directors is needed in order for the Ministry to arrange the subject mortgage renewal on behalf of TCHC.

At this point in time, the complete mortgage renewal package consisting of various forms and documents, including the resolution of board of directors, certificate of incumbency, insurance policy, realty tax bill, corporation’s standing and Ministry’s letter of refinancing, etc. from the Ministry, is not yet available. As a standard practice, the subject mortgage has to go for a tender by the Ministry and the lender that bids the lowest interest rate will be renewing the subject mortgage.

IMPLICATIONS AND RISKS:

There are no significant additional implications or risks as a result of the subject mortgage renewal.

SIGNATURE:

“Lily Chen”

Lily Chen
Chief Financial Officer

Confidential Summary of Mortgage Details

Attachment 1:

Reason for Confidential Attachment: Matters that are not required to be disclosed under the *Municipal Freedom of Information and Protection of Privacy Act*, including but not limited to a proposed or pending transaction with a third party.

STAFF CONTACT:

Tony Zhu, Manager, Treasury
416-981-4043
Tony.Zhu@torontohousing.ca