Toronto Community Housing

2027 Mortgage Renewal

Item 8A
July 10, 2026
Building Investment, Finance and Audit Committee

Report:	BIFAC:2026-71
To:	Building Investment, Finance and Audit Committee ("BIFAC")
From:	Chief Financial Officer & Treasurer
Date:	June 5, 2026

PURPOSE:
The purpose of this report is to seek approval from the Building Investment, Finance and Audit Committee ("BIFAC") and the Board of Directors (the "Board") to renew the mortgages on the properties located at 11 Randolph Avenue and 21 St. Joseph Street, both of which are scheduled to be renewed on May 1, 2027, with lenders selected by the Ministry of Municipal Affairs and Housing ("MMAH").

RECOMMENDATIONS:
It is recommended that the Building Investment, Finance and Audit Committee approve and recommend that the Board of Directors:

1. Approve the renewal of up to $1,864,400 mortgage for 11 Randolph Avenue with a lender selected by the Ministry of Municipal Affairs and Housing;
2. Approve the renewal of up to $478,200 mortgage for 21 St. Joseph Street with a lender selected by the Ministry of Municipal Affairs and Housing; and
3. Authorize the Chief Financial Officer and Treasurer, or her designate, to take all necessary actions, including negotiation and execution of such documentation as may be required, in order to give effect to the above recommendations.

FINANCIAL IMPACT STATEMENT:
Given current interest rate trends, there is a risk that the renewal rates in 2027 may be higher than existing rates, which could result in increased interest expense and create a cost pressure.

The 2027 Operating Budget will include estimated principal and interest expenses for the mortgage renewals. Upon renewal, the final interest rate and resulting interest expense will be determined based on market conditions at that time and will be reflected in the 2028 Operating Budget submission.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial summary information.

REASONS FOR RECOMMENDATIONS:
The Scotia Mortgage Corporation mortgage on 11 Randolph Avenue in the original amount of $4,560,600.59 with a fixed interest rate of 3.6% will mature on May 1, 2027.

The Scotia Mortgage Corporation mortgage on 21 St. Joseph Street in the original amount of $1,534,212.89 with a fixed interest rate of 3.6% will mature on May 1, 2027.

Under the Ontario Competitive Financing Renewal Process, MMAH has assumed responsibility for facilitating and coordinating the renewal of the subject mortgages. A resolution of the Board of Directors is required by September 4, 2026 for MMAH to renew the mortgages on behalf of TCHC.

As a standard practice, MMAH will select the lender through the public tendering process and the interest rate will be determined through the competitive bids submitted.

These two mortgages pertain to stand-alone properties. TCHC may not be able to secure more preferential pricing with the lender through the potential alternative mortgage financing which will have to be pre-approved by the Service Manager. TCHC is expected to renew the mortgages based on the renewal amount as stated in Table 1. Prior to the renewal date, MMAH and TCHC will reconcile the renewal amount and a minor rounding between the two parties. Therefore, TCHC is requesting an authority of an up to mortgage renewal amount rounded to the nearest hundred.

Table 1: Listing of Mortgage Renewal

Project Name & Address	Renewal Date	Renewal Amt	Remaining Amortization in Months	Current Lender
11 Randolph Avenue	5/1/2027	$ 1,864,344.76	36	Scotia Mortgage Corporation
21 St. Joseph Street	5/1/2027	$ 478,102.01	24	Scotia Mortgage Corporation

Completion of mortgage renewal will be dependent upon completion of the renewal process by MMAH. The Housing Secretariat has not previously issued Requests for Proposals for any of our mortgage renewals.

IMPLICATIONS AND RISKS:
There are no significant additional implications or risks as a result of the subject mortgage renewals.

SIGNATURE:

"Lily Chen"

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Lily Chen
Chief Financial Officer & Treasurer

CONFIDENTIAL ATTACHMENTS:

Confidential Attachment 1:	MMAH Mortgage Renewal Package (11 Randolph Avenue)
Reason for Confidential Attachment:	Third party commercial information supplied in confidence and commercial information belonging to TCHC that has monetary value or potential monetary value and whose disclosure could reasonably be expected to be injurious to its financial interests.
Confidential Attachment 2:	MMAH Mortgage Renewal Package (21 St. Joseph Street)

Reason for Confidential Attachment:	Third party commercial information supplied in confidence and commercial information belonging to TCHC that has monetary value or potential monetary value and whose disclosure could reasonably be expected to be injurious to its financial interests.

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