



January 2024 Mortgage Renewal

Item 7A

November 2, 2023

Building Investment, Finance and Audit Committee

Report: BIFAC:2023-115

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Chief Financial Officer & Treasurer

Date: September 25, 2023

PURPOSE:

The purpose of this report is to seek approval from the BIFAC and the Board of Directors (the "Board") to renew one mortgage with a lender selected by the Ministry of Municipal Affairs and Housing. The mortgage will mature on January 1, 2029.

RECOMMENDATIONS:

It is recommended that the BIFAC approve and recommend that the Board:

1. Approve the transaction in the amount of \$2,187,049.24 with a lender selected by the Ministry of Municipal Affairs and Housing, in connection with the mortgage due for renewal on January 1, 2024; and
2. Authorize the President and Chief Executive Officer or the Chief Financial Officer & Treasurer 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.

REASONS FOR RECOMMENDATIONS:

The current MCAP (previously named TD Canada Trust) mortgage in the original amount of \$5,046,712 started on January 1, 2014 as a 10-year term mortgage with a fixed interest rate of 5.912%. The renewal balance as at January 1, 2024 is \$2,187,049.24.

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 required for the Ministry to arrange the subject mortgage renewal on behalf of TCHC.

At this point in time, the complete mortgage renewal package from the Ministry 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. is not yet available. Staff will provide the renewal package for the BIFAC/Board to review once received from the Ministry. As a standard practice, the subject mortgage has to go to 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 & Treasurer

Confidential Summary of Mortgage Details
Attachment 1:

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

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