



December 2021 Mortgage Renewal

Item 2L

September 2, 2021

Building Investment, Finance and Audit Committee

Report: BIFAC:2021-80

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

From: Chief Financial Officer & Treasurer

Date: August 11, 2020

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 December 1, 2026.

RECOMMENDATIONS:

It is recommended that the BIFAC approve and forward to the Board for approval the following recommendations:

1. Approve the transaction in the amount of \$3,314,313.61 with a lender selected by the Ministry of Municipal Affairs and Housing, in connection with the mortgage due for renewal on December 1, 2021; 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 \$8,753,644.62 started on December 1, 2011 as a 10-year term mortgage with a fixed interest rate of 2.684%. The renewal balance as at December 1, 2021 is \$3,314,313.61.

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 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. Staff will provide the renewal package for the BIFAC/Board to review once they are received from the Ministry. 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:

“Rose-Ann Lee”

Rose-Ann Lee
Chief Financial Officer & Treasurer

Confidential Attachment 1: Summary of Mortgage Details

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 CONTACTS:

Rose-Ann Lee, Chief Financial Officer & Treasurer
416-981-4316
Rose-Ann.Lee@torontohousing.ca

Nagesh Dinavahi, Corporate Controller
416-981-4315
Nagesh.Dinavahi@torontohousing.ca

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