



## Report of the General Manager

### **2025 Housing York Inc. Annual Report, Including Financial Statements and Annual Information Return**

#### **Recommendations**

1. The Board of Directors approve the Housing York Inc. 2025 Annual Report (Attachment 1) for submission to the Region, as sole shareholder of the Corporation.
2. The Board of Directors approve the 2025 Financial Statements and Notes for Housing York Inc. (Attachment 2) for submission to the Region, as Service Manager and sole shareholder.
3. The Board of Directors approve the 2025 Annual Information Return for the Housing York Inc. Provincial Reform Program (Attachment 3) for submission to the Region, as Service Manager.

#### **Summary**

This report summarizes Housing York Inc.'s (HYI's) 2025 activities and fulfills the Corporation's reporting requirements to York Region (the Region), in its role as Service Manager and sole shareholder.

#### **Key points:**

- In accordance with the (Ontario) *Business Corporations Act* and Shareholder Direction, HYI's Annual Report (Attachment 1) and the 2025 Financial Statements and Notes (Attachment 2) are provided as part of the annual shareholder meeting
- 2025 Annual Information Return (Attachment 3) provides financial, operational, and statistical information related to HYI's Provincial Reform portfolio and requires Board approval for submission to the Region, as mandated under the *Housing Services Act, 2011*
- 2025 Financial Statements were audited by KPMG LLP in accordance with Canadian generally accepted auditing standards. The Auditor's Report reflects KPMG's opinion that the Financial Statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025
- 2025 HYI Business Plan Year-End Update, included in the Annual Report (Attachment 1), outlines achievements from the 2025 Business Plan and marks the first year of implementation of the 2025 to 2028 Strategic Plan

## **Background**

### **HYI provides safe and affordable homes for approximately 5,000 residents across a growing and diverse housing portfolio**

In 2025, HYI continued to play a central role in the Region's housing system, providing safe and affordable homes to approximately 5,000 residents across 38 community housing properties with 3,124 rental units in all nine local municipalities, including the addition of Mosaic House in Town of Whitchurch-Stouffville. The portfolio includes a mix of seniors' residences and mixed-age housing, reflecting the diverse needs of residents across the Region.

Beyond community housing, HYI owns and manages seven emergency and transitional housing properties in accordance with the Shareholder Direction between York Region and HYI. While community-based partner agencies deliver day-to-day programs and resident supports, HYI is responsible for building operations, maintenance, capital planning, and long-term asset stewardship. This model ensures emergency and transitional housing programs operate in safe, well-maintained environments, while allowing service providers to focus on responsive, client-centred supports.

### **Annual reporting ensures strong governance and accountability**

HYI operates within a robust governance and accountability framework. In accordance with the *Business Corporations Act* and Shareholder Direction, HYI submits its Annual Report and Audited Financial Statements to the Region each year. HYI's financial statements are consolidated with the Region's and audited concurrently by the same external auditor, ensuring transparency and oversight of related-party transactions, such as subsidies and payroll.

HYI also submits the Annual Information Return (AIR) as required under the *Housing Services Act, 2011*. AIR is reviewed by the auditor and provides financial, operational, and statistical information related to HYI's Provincial Reform portfolio for buildings downloaded from the Province in the early 2000s. AIR supports subsidy verification and assists in the Region's financial planning.

Board approval is required prior to the submission of these documents to the Region in its role as both Service Manager and sole shareholder.

## **Analysis**

### **Property management outcomes focus on service, stability, and prevention**

HYI's 2025 property management results demonstrate a continued focus on responsive service, high occupancy, and prevention-based tenancy management. The 2025 HYI Annual Report (Attachment 1) highlights how operational performance, digital tools, and early intervention strategies collectively contributed to supporting residents and maintaining housing stability across the portfolio.

## Key outcomes:

- HYI successfully operationalized Mosaic House in 2025, preparing the new building for occupancy and welcoming its first residents. This included coordinating building readiness, implementing operational systems, supporting leasing and move-in processes, and ensuring services were in place to support a smooth transition for new tenants.
- For maintenance service performance, HYI completed 24,470 in-suite tenant work orders, contributing to a total of 93,797 work orders completed across the portfolio. Seventy-eight percent (78%) of work orders were completed within five business days, demonstrating strong service responsiveness.
- Digital service delivery continued to expand in 2025. The Resident Portal moved beyond pilot stages, enabling residents to submit and track maintenance requests online and improving transparency around service timelines and follow-up.
- HYI maintained high occupancy and housing stability with a 99.5% occupancy rate throughout the year. This reflects consistent demand for community housing and effective coordination across leasing, maintenance, and tenancy management functions.
- HYI's prevention-focused approach to arrears management continued to yield strong results in 2025. During the year, 1,144 N4 notices for non-payment of rent were issued; however, the vast majority were resolved. Only 12 eviction orders were issued in 2025, and despite broader financial pressures experienced by tenants and ongoing delays within the Landlord and Tenant Board system, more than 99% of tenancies remained successful.

These outcomes reflect HYI's emphasis on early outreach, collaboration with Housing Stability Program, and individualized payment solutions. Rather than relying on enforcement, tenancy management focused on practical interventions that address underlying financial challenges, helping residents remain housed while reducing the social and operational impacts associated with eviction.

## **Long-term asset stewardship guides capital improvements across the portfolio**

In 2025, HYI focused on ensuring its housing portfolio remains safe, functional, and prepared for demands of the future. With an increasingly complex and aging portfolio, the year emphasized coordinated planning, targeted renewal, and preventative strategies to protect both resident well-being and long-term asset value.

HYI's housing portfolio represents an estimated \$1.61 billion in replacement value, with an average building age of 31 years. Overall portfolio condition remained in the good range, with a 2025 Facility Condition Index (FCI) of approximately 4.8%. The FCI is an industry-standard metric that expresses the cost of required repairs as a percentage of a building's total replacement value, with lower values indicating better overall condition. FCI below 5% indicates a good condition, while FCI above 10% indicates poor condition.

HYI invested \$13.7 million in 2025 across 120 capital projects, achieving 100% capital delivery rate. Appendix A provides a list of capital rehabilitation investments over \$50,000. Work was prioritized based on risk, lifecycle performance, and resident impact, with projects spanning across four categories:

- \$4.9 million invested in critical building systems, including heating, ventilation and air conditioning (HVAC), mechanical, electrical and life-safety infrastructure
- \$3.9 million invested in exterior repairs and weatherproofing to extend building life and improve energy performance
- \$3.8 million invested in interior upgrades that support accessibility, aging-in-place, and day-to-day livability
- \$1.1 million invested in site improvements addressing drainage, lighting, circulation, and outdoor safety

2025 marked a shift toward a more integrated approach to asset management. Multi-site planning, standardized upgrades, and improved data from digital inspections and preventative maintenance programs supported better decision-making and more efficient use of limited capital dollars.

HYI continues to face long-term pressures related to aging infrastructure. While 93% of assets are performing within their expected service life, the portfolio includes older buildings that will require multi-year renewal strategies or future consideration for redevelopment. Planning is underway to support these discussions, with a comprehensive portfolio management plan update scheduled for the Board's consideration in Q2 2026, which will outline the portfolio's opportunities and additional areas for consideration.

Environmental performance and climate resilience were also embedded in 2025 work. Energy retrofit projects delivered measurable reductions in greenhouse gas emissions, while new construction, including Mosaic House, exceeded energy performance standards and secured external incentives, demonstrating how sustainability considerations are increasingly integrated into both renewal and growth.

### **Progress achieved across Housing York Inc.'s strategic priorities**

2025 marked the first year of implementation of [From Vision to Vibrant Communities: Housing York Inc.'s 2025 to 2028 Strategic Plan](#), approved by the Board [in June 2025](#) to guide HYI through a period of growing demand, portfolio aging, and service modernization. The Strategic Plan establishes a four-year framework focused on sustaining and increasing housing supply, supporting resilient communities and successful tenancies, and driving innovation and continuous improvement.

The [2025 HYI Business Plan](#) translated this long-term vision into a focused set of actions for the year, emphasizing early momentum, foundational improvements, and readiness for future growth. By year-end, 79% of planned actions were completed, with the remaining actions actively in progress and continuing into 2026. No actions were deferred or cancelled.

**Table 1**  
**2025 Business Plan Results**

Strategic Priority	Results
<b>Sustain and Increase HYI's Portfolio</b>	<ul style="list-style-type: none"> <li>• Expanded the housing portfolio, welcoming over 140 residents to 97 units in Mosaic House in the Town of Whitchurch-Stouffville</li> <li>• The Region is advancing approximately 400 new units toward construction in the City of Markham and Town of Newmarket, which will be transferred to Housing York Inc. to receive and operate once construction is complete</li> <li>• Strengthened asset health through major capital renewal projects, accessibility upgrades, and preventative maintenance planning, keeping the portfolio in a strong 4.8% Facility Condition Index range</li> </ul>
<b>Encourage Resilient Communities and Successful Tenancies</b>	<ul style="list-style-type: none"> <li>• 758 programs and community events were carried out on-site pursuant to license agreements and other arrangements with local agencies, supporting resident well-being, safety, inclusion and financial stability</li> <li>• Preserved 99% of tenancies at risk due to arrears through early intervention, payment plans, and supports, helping residents remain safely and stably housed</li> </ul>
<b>Drive Innovation and Continuous Improvement</b>	<ul style="list-style-type: none"> <li>• Delivered digital improvements, including full roll-out of Resident Portal for online maintenance requests, with approximately 50% of maintenance requests submitted electronically by year-end</li> <li>• Improved and expanded Maintenance IQ to support more efficient maintenance coordination and resident service</li> <li>• Improved operational efficiency through enhanced digital inspections, expanded security technology, and ongoing energy-saving upgrades to support long-term sustainability</li> </ul>

## Financial Considerations

**The Auditor's Report reflects KPMG's opinion that the Financial Statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025**

HYI's Financial Statements were prepared in accordance with the financial reporting provisions of *Housing Services Act, 2011*. KPMG conducted the annual audit in accordance with generally accepted accounting standards. The Auditor's Report reflects KPMG's opinion that the Financial Statements "present fairly, in all material respects," the financial position of HYI as at December 31, 2025. HYI's Financial Statements are consolidated with the Region's Financial Statements.

### **Housing York Inc. continued to be in a strong financial position**

HYI's detailed Balance Sheet, Statement of Revenue and Expenditures, and Cash Flows statement are included in Attachment 2.

Table 2 summarizes HYI's consolidated balance sheet figures as of December 31, 2025 with comparative 2024 figures.

Total assets were \$371.6 million, an increase of \$40.9 million (12%) compared to 2024, resulting mainly from:

- Increase in book value of property holdings due to the addition of Mosaic House, offset by declining value of outstanding mortgages
- Decrease in current assets resulting mainly from transfer of cash to longer-term investments

Total liabilities were \$35.3 million, a decrease of \$4.5 million (11%) compared to 2024, resulting mainly from:

- Decrease in current liabilities and building financing due to final payout of four mortgages (Oxford Village in Town of East Gwillimbury, Trinity Square in the City of Markham, Heritage East in the Town of Newmarket and Keswick Gardens in the Town of Georgina), offset by an increase related to debenture for Unionville Commons in the City of Markham

Total equity was \$336.3 million, an increase of \$45.4 million (16%) compared to 2024, resulting mainly from:

- Increase in shareholder's equity due to the addition of Mosaic House, offset by debenture for Unionville Commons

**Table 2**  
**Consolidated Balance Sheet**  
**As of December 31, 2025**

	2025 (\$000)	2024 (\$000)	Variance (\$000)	Change (%)
<b>Assets:</b>				
Current Assets	\$13,140	\$23,343	\$(10,203)	(44%)
Investments	32,646	23,685	8,961	38%
Property Holdings*	325,831	283,685	42,146	15%
<b>Total Assets</b>	<b>\$371,617</b>	<b>\$330,713</b>	<b>\$40,904</b>	<b>12%</b>
<b>Liabilities:</b>				
Current Liabilities	\$11,943	\$21,503	\$(9,560)	(44%)
Building Finance	23,369	18,261	5,108	28%
Other Long-Term Liabilities	25	25	-	0%
<b>Total Liabilities</b>	<b>\$35,337</b>	<b>\$39,789</b>	<b>\$(4,452)</b>	<b>(11%)</b>
<b>Equity:</b>				
Reserve Funds	\$35,876	\$33,874	\$2,002	6%
Shareholder's equity	300,404	257,050	43,354	17%
<b>Total Equity</b>	<b>\$336,280</b>	<b>\$290,924</b>	<b>\$45,356</b>	<b>16%</b>
<b>Total Liabilities and Equity</b>	<b>\$371,617</b>	<b>\$330,713</b>	<b>\$40,904</b>	<b>12%</b>

\*Includes furniture and fixtures

Note: totals may not add due to rounding

**Housing York Inc. revenues exceeded expenditures resulting in an operating surplus of \$0.4 million before allocation to reserves**

Table 3 summarizes HYI's Statement of Revenue and Expenditures as of December 31, 2025 with comparative figures for 2024. HYI generated an operating surplus of \$0.4 million in line with the budgeted surplus of \$0.4 million, which was allocated in accordance with HYI's Operating Surplus Policy to the Capital Reserve (\$0.3 million), Strategic Initiatives Reserve (\$0.1 million), Operations Reserve (\$0.1 million). This is offset by a draw from the Region's Emergency Housing Reserve (\$0.1 million) to cover slightly higher than budgeted expenditures for emergency and transitional housing.

**Table 3**  
**Consolidated Statement of Revenue and Expenditures**  
**as of December 31, 2025**

	2025 (\$000)	2024 (\$000)	Variance (\$000)	Change (%)
Revenue:				
Rental and other income	\$34,662	\$32,497	\$2,165	7%
Government subsidies	26,004	17,092	8,912	52%
Contribution from reserves	723	-	723	-
<b>Total Revenue</b>	<b>\$61,389</b>	<b>49,589</b>	<b>\$11,750</b>	<b>24%</b>
Expenditures:				
Administration, maintenance and other	\$23,801	\$20,703	\$3,098	15%
Contribution to reserves	16,002	10,654	5,348	50%
Mortgage payments	11,457	8,156	3,301	40%
Utilities	5,368	4,865	503	10%
Property taxes	4,324	4,358	(34)	(1%)
<b>Total Expenditures</b>	<b>\$60,952</b>	<b>\$48,736</b>	<b>\$12,166</b>	<b>25%</b>
<b>Surplus</b>	<b>\$437</b>	<b>\$853</b>	<b>\$(416)</b>	<b>(49%)</b>

Note: totals may not add due to rounding

Total revenues were \$61.4 million in 2025, an increase of \$11.8 million (24%) over 2024, resulting mainly from:

- Higher government subsidies due to four mortgages paid out in 2025 (\$5.4 million) through the Region's debt avoidance reserve, receipt of one-time government agency funding of \$3.7 million, and increase in rental revenues due to the addition of Mosaic House (\$1.1 million)

Total expenditures were \$60.9 million in 2025, an increase of \$12.2 million (25%) over 2024, resulting mainly from:

- Higher mortgage costs due to final payout of four mortgages in 2025
- Higher administration and maintenance costs mainly due to increase in facility and contract expenses related to proactive investment in enhanced preventative maintenance, strategic advancement of critical security system upgrades, and higher than anticipated snow relocation requirements

- Higher contributions to reserves mainly due to transfer of one-time government agency funding received for capital projects

### Net bad debt write-offs totalled \$41,378 or 0.1% of rental revenues

HYI's 2025 bad debt write-off totalled \$41,378 or 0.1% of rental revenues, representing a decrease of \$225,475 compared to 2024. Staff pursue rent collection with all tenants with overdue balances or arrears. Former tenant accounts are sent to third-party collections agency and are written off after one year with no repayment according to [Tenancy Management Policy](#).

### Healthy reserve balances contribute to long-term financial sustainability

The Board-approved [Long-Term Fiscal Plan](#) was developed to ensure HYI remains fiscally responsible, safeguards its assets, and is accountable for effectively managing its resources. The fiscal plan includes reserve strategy that supports capital and operating needs to ensure the portfolio remains in a state of good repair, funds are available for unplanned expenditures or revenue shortfalls, and strategic initiatives are funded.

Table 4 shows HYI's reserve balances as of December 31, 2025 compared to prior year.

**Table 4**  
**Reserve Balances**  
**As of December 31, 2025**

	2025 (\$000)	2024 (\$000)
Capital Reserve	\$ 24,343	\$ 22,141
Emergency Housing Reserve	5,066	4,935
Working Capital Reserve	3,500	3,500
Strategic Initiatives Reserve	1,967	2,298
Operations Reserve	1,000	1,000
<b>Total Reserves</b>	<b>\$ 35,876</b>	<b>\$ 33,874</b>

Total reserve balances were \$35.9 million, an increase of \$2.0 million or 6% over 2024, resulting from additional government agency funding received for capital projects.

### Local Impact

HYI operates housing communities in all nine local municipalities across York Region. Through consistent and effective property management, HYI supports safe, well-maintained buildings that integrate into neighbourhoods and contribute positively to local communities. The Financial Statements and the Annual Information Return do not have a direct financial or operational impact on local municipalities.

## Conclusion

This report provides an overview of HYI's activities throughout the 2025 fiscal year. Key 2025 initiatives and outcomes are outlined in Attachment 1 and will be shared with the Region at the annual shareholder meeting, demonstrating HYI's ongoing commitment to transparency and accountability.

The 2025 Financial Statements present the Corporation's financial results and position in accordance with the requirements of the *Housing Services Act, 2011*. The report includes the Audited Financial Statements and Notes in Attachment 2 and the Annual Information Return in Attachment 3 to fulfill HYI's reporting obligations to the Region.

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For more information on this report, please contact Josh Scholten, Director, Housing Operations at 1-877-464-9675 ext. 72004 or Ellen Boudreau, Chief Financial Officer at ext. 71282. Accessible formats or communication supports are available upon request.



Recommended by: Jody DeGagne  
General Manager, Housing York Inc.



Approved for Submission: Lisa Gonsalves  
President, Housing York Inc.

March 27, 2026

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Appendix A – Capital Rehabilitation Investments Over \$50,000 in 2025  
Attachment 1 – 2025 Annual Report (#17169598)  
Attachment 2 – 2025 Financial Statements (#17169589)  
Attachment 3 – 2025 Annual Information Return (#17169593)

## Capital Rehabilitation Investments Over \$50,000 in 2025

<b>Property</b>	<b>Project Category</b>	<b>Description</b>
Thornhill Green, City of Markham	Interior Building Repairs	Kitchen and Bathroom Refurbishment
Evergreen Terrace, City of Richmond Hill	Exterior Building Repairs	Window Replacement
Evergreen Terrace, City of Richmond Hill	Interior Building Repairs	Kitchen and Bathroom Refurbishment
Mackenzie Green, City of Richmond Hill	HVAC Mechanical, Electrical	Hydronic and Domestic Hot Water Heating Plant Replacement
Richmond Hill Hub, City of Richmond Hill	Interior Building Repairs	Basement Wall Repairs
Rose Town, City of Richmond Hill	Exterior Building Repairs	Window Replacement including all common areas, Front Entrance Replacement and Aluminum Patio Sliders Replacement
Rose Town, City of Richmond Hill	HVAC Mechanical, Electrical	Make-up Air Unit (2) Replacement including Adding Cooling
Dunlop Pines, City of Richmond Hill	HVAC Mechanical, Electrical	Main, Secondary, and Unit Panel Replacement
Blue Willow Terrace, City of Vaughan	HVAC Mechanical, Electrical	Hot Water Storage Tanks (2) Replacement HVAC Pump Replacement
Mapleglen Residences, City of Vaughan	Exterior Building Repairs	Building Envelope Restoration and Window Sealing
Orchard Heights Place (55 & 57), Town of Aurora	Interior Building Repairs	Kitchen Refurbishment
Orchard Heights Place (55), Town of Aurora	HVAC Mechanical, Electrical	Electrical Upgrades - Main, Secondary, Unit Panel Replacement and Switchboard
Orchard Heights Place (57), Town of Aurora	Interior Building Repairs	Flooring Replacement
Leeder Place, Town of East Gwillimbury	Exterior Building Repairs	Roof Replacement

Oxford Village, Town of East Gwillimbury	Exterior Building Repairs	Window Replacement including all common areas, Front Entrance Replacement and
Keswick Gardens, Town of Georgina	Exterior Building Repairs	Parking Lot Storm Drainage Upgrades to Resolve Drainage Issues (Feasibility Study)
Keswick Gardens, Town of Georgina	Site Upgrades and Grounds	Adult Day Program - Renewal of Outdoor Space
Lakeside Residence, Town of Georgina	Exterior Building Repairs	Parking Garage Leak Repairs
Northview Court (37), Town of Georgina	HVAC Mechanical, Electrical	Replace Make-up Air Unit and Addition of Cooling
Northview Court (39), Town of Georgina	Exterior Building Repairs	Window Replacement
Sutton Youth Services, Town of Georgina	Exterior Building Repairs (EH)	EIFS Repair and Painting. Gym Ceiling Insulation Repairs
Fairy Lake Gardens (468 Eagle Street), Town of Newmarket	HVAC Mechanical, Electrical	Fin tube Hydronic Baseboard Heater Replacement and Thermostat Replacement
Armitage Gardens, Town of Newmarket	HVAC Mechanical, Electrical	Courtyard Lighting Upgrade
Belinda's Place, Town of Newmarket	Exterior Building Repairs (EH)	Building Envelope Restoration
Belinda's Place, Town of Newmarket	HVAC Mechanical, Electrical (EH)	New CCTV, Fob and Computer
Brayfield Manors, Town of Newmarket	Site Upgrades and Grounds	Full Site Landscape Architectural Design (front and back of townhouses, and roadway). Perimeter fencing included
Brayfield Manors, Town of Newmarket	Site Upgrades and Grounds	Sanitary Septic System Upgrades
Fairy Lake Gardens (468 Eagle Street), Town of Newmarket	HVAC Mechanical, Electrical	Domestic Hot Water Boiler Replacement
Fairy Lake Gardens (468 Eagle Street), Town of Newmarket	HVAC Mechanical, Electrical	Generator Replacement
Founders Place, Town of Newmarket	HVAC Mechanical, Electrical	Make-up Air Unit Replacement

Heritage East, Town of Newmarket	Site Upgrades and Grounds	Emergency Drainpipe Repairs in Parking Garage
Mulock Village, Town of Newmarket	Exterior Building Repairs	Garage Door Replacement
Nobleview Pines, Township of King	HVAC Mechanical, Electrical	Electrical Component Replacement (Main/Intermediate)
Various (All) HYI Facilities	Interior Building Repairs	Aging In Place Door Operators Project - Garbage chute doors
Various (All) HYI Facilities	Interior Building Repairs	Structural Studies
Various (All) HYI Facilities	HVAC Mechanical, Electrical	In-unit Combination Smoke/CO Detector Replacement
Various (All) HYI Facilities	Exterior Building Repairs	Working at Heights
Various (All) HYI Facilities	Interior Building Repairs	Unit Turnovers