

New Brunswick Housing Corporation

ANNUAL REPORT | 2024-25

HOUSING
HABITATION  NB

New  Nouveau
Brunswick

New Brunswick Housing Corporation

ANNUAL REPORT 2024–25

Province of New Brunswick
PO 6000, Fredericton NB E3B 5H1 CANADA

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From the Minister to the Lieutenant-Governor

Her Honour The Honourable Louise Imbeault
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the New Brunswick Housing Corporation, Province of New Brunswick, for the fiscal year April 1, 2024, to March 31, 2025.

Respectfully submitted,



Honourable David Hickey
Minister responsible for the New Brunswick
Housing Corporation

From the Chief Executive Officer to the Minister

Honourable David Hickey
Minister responsible for the New Brunswick
Housing Corporation

Sir:

I am pleased to be able to present the annual report describing operations of the New Brunswick Housing Corporation for the fiscal year April 1, 2024, to March 31, 2025.

Respectfully submitted,



François Boutot
Chief Executive Officer

Land acknowledgement

We respectfully acknowledge that New Brunswick is situated on the unceded and unsurrendered territories of the Wolastoqey, Mi'gmaw, and Peskotomuhkati peoples. We seek to repair and rebuild meaningful relationships with Indigenous peoples and honour these lands which hold the hopes of future generations.

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Minister's message

It's my pleasure to present the New Brunswick Housing Corporation's 2024-25 Annual Report.

It's been a busy first full year as the minister responsible for housing, and I can tell you that I'm committed to tackling the housing crisis in a meaningful way. New Brunswickers deserve access to safe, affordable living spaces and we are working to improve and expand the housing options across our province.

As I reflect on the past year, I can see lots of growth. But I'm also aware we have lots more work to do.

We primed the market by removing the HST off new multi-unit construction projects, making it 15 per cent cheaper to build in this province. Now we see developers coming off the sidelines and we see cranes in the skies again.

We also implemented the rent cap, offering renters some stability in the market after years of rising rent increases.

And we know that without stable housing, everything in a person's life becomes more challenging. So we are working to reduce chronic homelessness across New Brunswick by 40 per cent within our government's mandate.

We know there's a crisis in housing and we are working to help those who are most vulnerable.

For the first time in roughly 40 years, we opened new public housing units – safe, accessible places for people to call home. And we're in the process of improving the maintenance schedules for our existing public housing stocks, which can use some additional love to ensure they're suitable for residents in need.

We know the need is great and there's a lot of work to do. So we promise to do our best for New Brunswickers in the coming months and years.

I'd like to thank the New Brunswick Housing Corporation's employees for all that they do to help our residents. Their hard work and dedication is appreciated. Our residents feel it every day.

I look forward to continued success as we make housing and other supports available to New Brunswickers.



Honourable David Hickey
Minister responsible for the New Brunswick
Housing Corporation



I am pleased to present the renewed New Brunswick Housing Corporation's second annual report for the 2024-25 fiscal year.

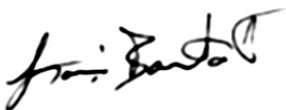
Our team has been hard at work building our province's first new public housing in decades. These new homes have tenants. They are just the first in a series of new homes we're building for New Brunswickers. We doubled the number of new households receiving one of our services over this fiscal year, with over 7,900 additional households helped by one of our programs. In 2023-24, our programs served an additional 4,100 households. That 7,900 households represents 25 per cent of New Brunswick households in core housing need, and an increase of 27 per cent over the number supported the previous year.

The rent cap was implemented, and we expect to see 30,000 tenants in New Brunswick benefit from the limit to the rent increases. It is a significant move to improve affordability for renters in our province.

One of our challenges over the past year has been to build capacity. We needed people to do the work, both on the ground and in our central operations. We have been able to establish a team to support our operations. Our goal is to have enough capacity to allow us to be strategic, to review and improve instead of just maintain, and to better serve New Brunswickers with programs that meet their needs today.

Making HNB a great place to work has been my own priority for the corporation. We won't have our baseline until the end of the year, after the first employee experience survey results come out, but we are making strides to improve communication and to build a work culture based in transparency, accountability, and respect.

In the past year, we published our first audited financial statements in 30 years, and our first annual report as a corporation in 33 years. We have been able to come together as a corporation to serve New Brunswickers. I am so proud of our employees and the work they do to help New Brunswickers have a safe, affordable place to call home.



François Boutot
Chief Executive Officer

Chief Executive Officer's message



Our impact

27%

increase in number of **households supported** in 2024-25

275

new **affordable rental units** approved

Lowest vacancy rate in public housing

2.6%

424

rental subsidies per month through Direct-to-Tenant program

177

new **public housing starts**, including **94 completed units**

\$15 M

in **major renovations** and repairs

30 years

Time between **audited financial statements** for NBHC

Completed
9 of 27

audits from the CMHC backlog

4,632

additional households receiving **rental support** through **direct-to-tenant benefit**

30,000

households receiving **lower rent increases** thanks to **rent cap**

1,231

households **received assistance** through **homeowner programs**

750

evictions avoided through the rent bank

866

new renters in public housing and RIH units, or receiving rent supplements

Government Priorities

DELIVERING FOR NEW BRUNSWICKERS

The priorities the Government of New Brunswick (GNB) has focused on represent the stories and solutions we hear from residents across the province. Our goal is to make a difference and enhance the quality of life for everyone in the province we proudly call home. Together, we are learning, growing, adapting, and discovering new and transformative ways of doing business. GNB is focused on taking the necessary steps to move our priorities forward, and work is being done more efficiently and effectively every day. New Brunswickers are resilient, creative, and compassionate people, and by working collaboratively, we can create the brighter future we all deserve. GNB is prioritizing partnerships and trusting and empowering the people and organizations on the ground working most closely with New Brunswickers to achieve results.

PRIORITIES

GNB is focused on creating a brighter future for all New Brunswickers. To make progress towards this vision, several priorities have been identified within the following areas:

- Health care
- Affordability and housing
- Education
- The economy
- Environment
- Trusted leadership

We invite you to explore the commitments GNB has made within each priority area, as well as updates on our achievements and the metrics we use to measure success. For more information, visit: gnb.ca/accountability.

Affordability and housing

The Affordability and Housing priorities are:

- Immediately introduce a rent cap (three per cent) as part of a comprehensive update of *The Residential Tenancies Act*.
- Both the renovation and creation of new public housing.
- Working with communities, support the construction of 30,000 new homes by 2030.
- Model a community housing retention and expansion pilot to fund housing in the non-profit and community sectors that support capacity building, pre-construction costs, and acquisition.
- Work with companies to increase investments in made-in New Brunswick solutions like modular and offsite housing.
- Work directly with municipalities and community groups already grounded in a housing-first approach and support their expansion.
- Provide funding for safety and accessibility retrofits for New Brunswick seniors and persons with disabilities who wish to stay in their homes.

The housing and affordability priorities have, at their core, the goal of improving the lives of New Brunswickers by creating supports for more affordable and suitable housing, supporting renters by capping increases, and providing subsidies, supports and housing for vulnerable New Brunswickers. HNB's programs target lower-income populations to provide subsidies and grants for both renters and homeowners. Our public and social housing programs match renters with suitable, affordable housing in their community.

Highlights

During the 2024-25 fiscal year, the New Brunswick Housing Corporation focused on these government priorities through:

- Completing the first 94 of 573 units of public housing planned by 2029.
- Completing the first set of audited financial statements for NBHC in over 30 years.
- Implementing the rent cap through amendments to *The Residential Tenancies Act*, protecting 30,000 households from historically high rent increases.
- Expanding the direct-to-tenant rent benefit program to over 4,600 households.

Performance outcomes

The information below outlines some of the corporation's priorities and how we measured our performance.

AFFORDABILITY FOR LOW-INCOME HOUSEHOLDS

MEASURE

Number of additional low-income households per month served by HNB programs.

WHY IS IT IMPORTANT?

Over 31,000 New Brunswick households are in core housing need (2022). Core housing need refers to whether a household's housing falls below at least one of the indicator thresholds for housing adequacy, affordability or suitability, and would have to spend 30 per cent or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (attains all three housing indicator thresholds). This measure reflects the total number of additional households served by nine programs. It is a primary measure of HNB's organizational effectiveness, and of our impact on the province's housing crisis.

BASELINE

Average of 327 additional households per month.

TARGET

Average of 540 additional households per month.

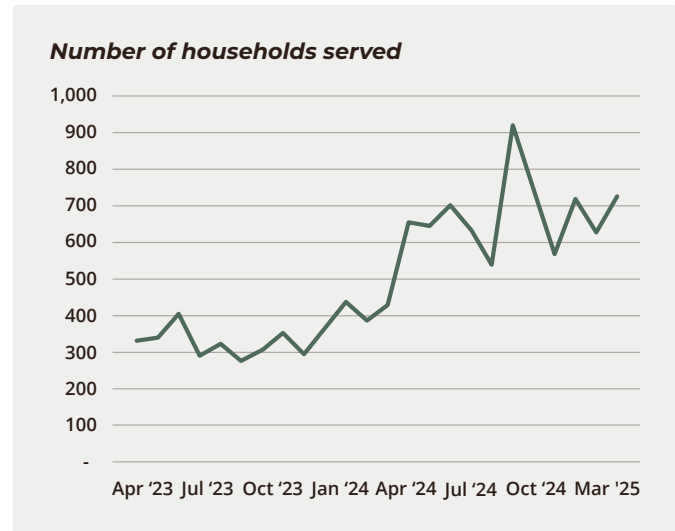
OVERALL PERFORMANCE

HNB exceeded target and achieved an average of 681 additional households per month. HNB doubled the total number of additional households served in the year 2024-25 to 7,909, compared to 4,100 in 2023-24. The number of households served represents 25 per cent of those in core housing need.

INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THE OUTCOME

The launch of the Direct-to-Tenant rental benefit

in early 2024 was the single largest driver of the increase in HNB capacity. It served 3,827 additional households in 2024-25. Other key contributors were the Rent Bank, homeowner repairs, placing tenants in existing subsidized housing, and construction of new public housing and new affordable housing in the non-profit and private sector.



EXPAND SUPPLY OF HOUSING IN NB

MEASURE

Number of housing starts in New Brunswick.

WHY IS IT IMPORTANT?

An adequate housing supply is a foundation for population growth. The current limited housing supply has increased home and rental prices and has made living less affordable. Housing starts count the number of housing units under construction at the stage when the foundation has been built.

BASELINE

4,547 housing starts in 2023 (calendar year).

TARGET

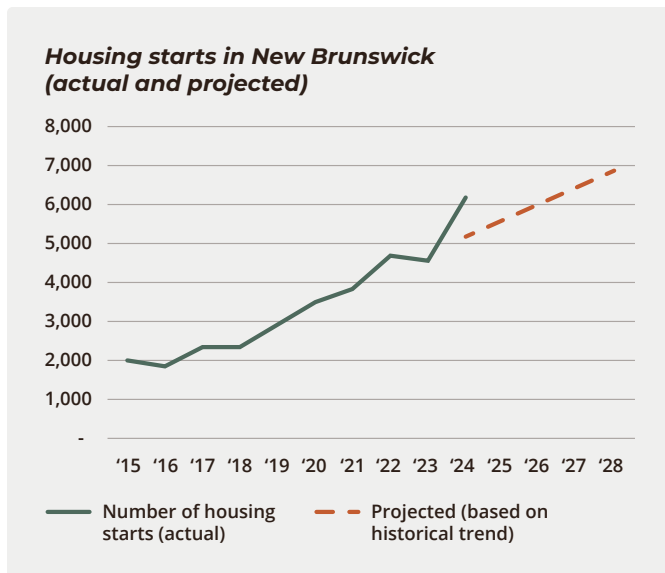
5,100 housing starts in 2024 (calendar year).

OVERALL PERFORMANCE

There were 6,169 housing starts in 2024, exceeding both the 2024 target and the 2025 target of 6,000 starts.

INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THE OUTCOME

- Support communities in the development of housing strategies and plans
- Increase supply of affordable housing



INCREASE SUPPLY OF AFFORDABLE HOUSING

MEASURE

Number of affordable housing starts in New Brunswick.

WHY IS IT IMPORTANT?

The supply of affordable housing for low-income households is the foundation of affordable housing for our most vulnerable people. This measure includes the number of new affordable housing units from three programs: Affordable Rental Housing Program (ARHP), Public Housing construction and acquisition, and Shelter Enhancement.

BASELINE

Average of 59 affordable starts per year between 2019 and 2023.

TARGET

252 affordable unit starts:

120 starts — Affordable Rental Housing Program

132 starts — Public Housing

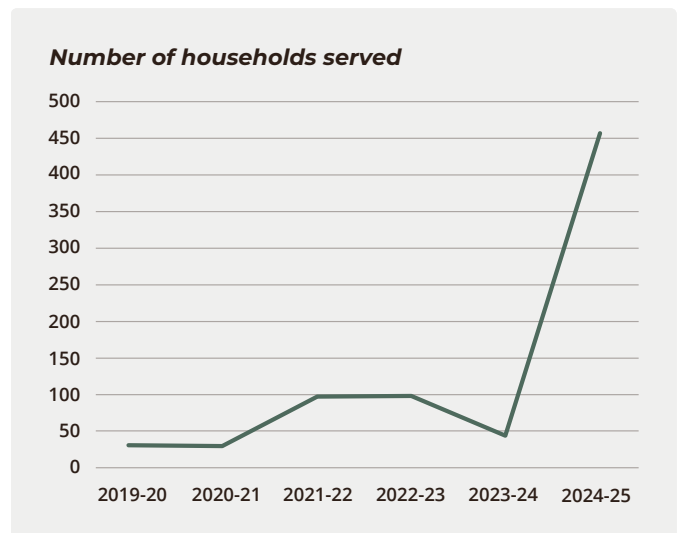
OVERALL PERFORMANCE

461 affordable unit starts. This was a sevenfold increase from the baseline average of 59 starts over the previous five years. The 461 units include:

- 275 units through the Affordable Rental Housing Program
- 177 new public housing units
- 9 shelter enhancements

INITIATIVES OR PROJECTS UNDERTAKEN TO ACHIEVE THE OUTCOME

- Increase funding amount for the development of subsidized housing
- Build more public housing units
- Provide funding for accessible units



Board of directors

The Corporation is governed by a Board of Directors. The Board is chaired by the Minister, by virtue of the position. The Vice Chair is the CEO of the Corporation, also by virtue of the position. There are up to eight other board members appointed by the Lieutenant-Governor in Council. The Board of Directors was established and appointed in September 2023.

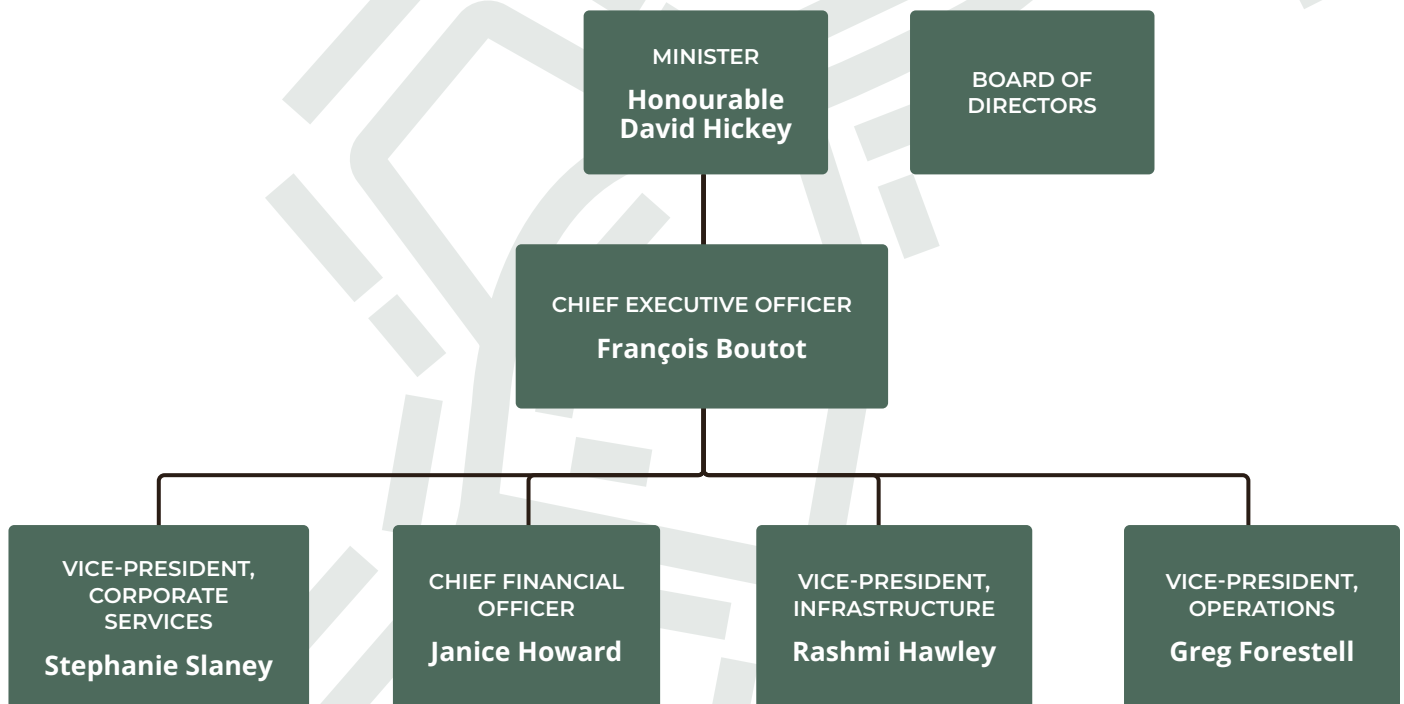
Name	Committee	Term
Ronnie Arseneau	Audit and Finance	2 years
Alexandra Davis	Governance and Human Resources	3 years
Ginny MacDonald	Governance and Human Resources (Chair)	3 years
Jim Mehan	Governance and Human Resources	3 years
Omorodion Omokheyeke	Audit and Finance	2 years
Marie-Paul Robichaud	Audit and Finance	2 years
Ann Seamans	Audit and Finance (Chair)	3 years
Lloyd Waugh	Governance and Human Resources	2 years

Overview of corporate operations

OVERVIEW

The mission of Housing NB is to provide safe and affordable housing for all New Brunswickers. Housing NB accomplishes this through the delivery of services to New Brunswickers to provide housing, either directly through our public housing units or indirectly through subsidies and rent supplements, and by offering supports to help homeowners maintain and repair their homes. The corporation also provides

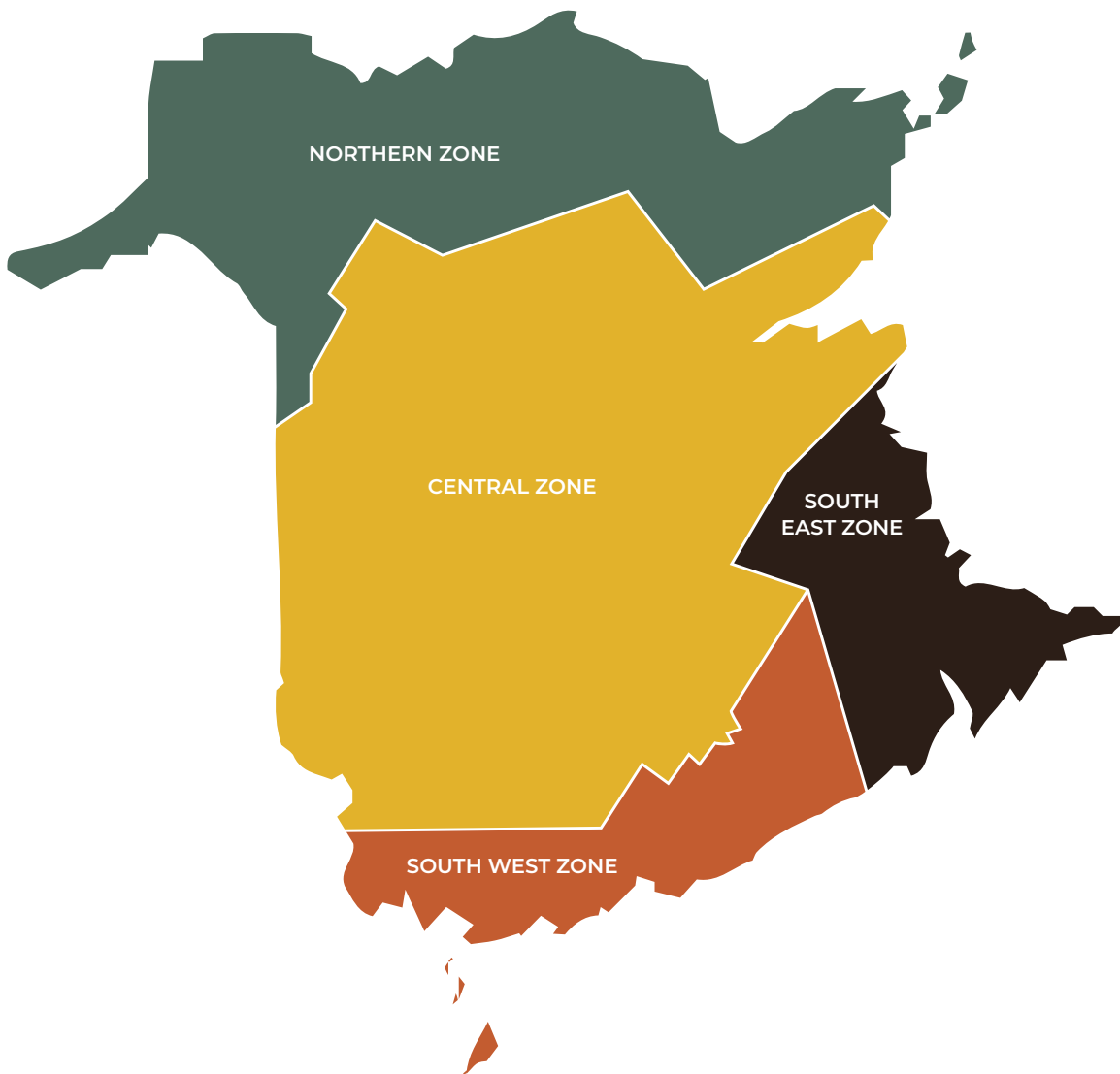
incentives to create new subsidized units around the province through the bilateral agreement with the Canada Mortgage and Housing Corporation, which supports our work with developers and landlords to add, maintain, and improve subsidized units for seniors and low-income households.



Services by area of the province

Number of households supported by each program.

	NORTHERN ZONE	CENTRAL ZONE	SOUTH WEST ZONE	SOUTH EAST ZONE
# of public housing units	1,098	668	1,190	917
# of people receiving support	4,636	4,761	4,739	5,613
# of homeowner program supports	544	405	144	114
# of ARHP units	71	269	192	111
# of rent supports	878	1,323	1,347	2,921



Divisions

CORPORATE SERVICES

Corporate Services was created in 2025 to help Housing NB run smoothly and to support its work. The team includes three main groups: the Policy and Board Branch, the Internal Communications unit, and the Strategy and Organizational Performance Branch. Corporate Services also works closely with other government services—like human resources, facilities, and IT—to make sure Housing NB staff get the help they need.

The **Policy and Board Branch** is responsible for the development of legislation and regulations, policies, and governance for the corporation. This team helps with planning, making decisions, and supporting leaders. They also handle privacy and access to information, and manage our relationships with the federal government and the governments of our fellow provinces.

The **Internal Communications unit** was established to help everyone at HNB stay connected and informed. In our first five months of operation, we started regular all-staff meetings, hosted pre-budget information sessions, and launched our first intranet, The Foyer. The Foyer is a one-stop place for news and resources, making it easier for HNB employees to find what they need and stay up to date. The unit is responsible for the HNB brand, and provides strategic communications planning and support for the organization.

The **Strategy and Organizational Performance Branch** helps HNB work better by improving how it manages and operates. The branch ensures everyone is working toward the same goals by supporting operational performance monitoring and facilitating improvement projects.

The branch does this by:

- Planning for the future and helping to set business goals, including leading reviews of organizational capacity.

- Supporting important projects and helping teams do their jobs better, including process improvement projects for operational areas.
- Encouraging staff to keep finding ways to improve and by monitoring business performance through dashboards.
- Providing useful information and research to help leaders make smart decisions.

By bringing together planning, performance tracking, and improvement efforts, the branch helps HNB stay focused and get better results.

OFFICE OF THE CHIEF FINANCIAL OFFICER

The Office of the Chief Financial Officer manages HNB's budget and technology systems. This team is made up of two groups: the Financial Services Branch and the Housing System Support Branch.

- The **Financial Services Branch** looks after all the corporation's finances. This includes budgeting and forecasting, revenue and expenditure management, accounting services, financial reporting, and ensuring contracts and risks are managed properly.
- The **Housing System Support Branch** helps other teams by making sure they have the right technology and support. They administer HNB's information systems, help plan IT strategies, coordinate services, and keep information safe.

Together, these teams make sure Housing NB has strong financial management and reliable technology to support its work.

INFRASTRUCTURE

The **Infrastructure Division** is responsible for building and maintaining publicly owned housing stock as well as supporting all housing program delivery on a technical level. As part of an expanded

mandate for HNB, the division collaborates with Social Development initiatives aimed at reducing chronic homelessness.

The division manages over 4,600 publicly owned units in over 1,500 buildings including single dwellings, duplexes, row houses, and apartment buildings. This includes rural and Indigenous housing rental units as well as Public Housing.

There are two main branches:

- **Technical Services and Building Management:** Responsible for inspecting, maintaining and repairing units, responding to emergency issues, and covering other operational items like service contracts and energy costs.
- **Engineering and Construction:** Delivers major capital projects including the construction of new public housing and modernizing aging buildings. This work includes development activities including property evaluation and acquisition.

Both branches provide technical advice and oversight for the delivery of various housing programs. This includes expertise in matters related to building, fire and energy codes in addition to innovative construction methods such as modular and off-site construction. The division includes a wide range of staff including engineers, tradespeople, inspectors, and consultants.

Housing portfolio	
Type	Units
Family	2,111
Senior	1,686
Non-elderly single	76
Subtotal	3,873
Rural and Indigenous	776
Total	4,649

KEY PERFORMANCE INDICATOR

DESCRIPTION OF THE MEASURE

The number of new public housing units in progress (starts) and completed per year.

OBJECTIVE OF THE MEASURE

In October 2024, the Government of New Brunswick committed to delivering 340 more public housing units by 2028. In 2024–25, 177 public housing starts were achieved (foundation laid) including 94 units complete and available for occupancy by tenants. We expect to deliver 573 housing starts (units) by 2028.

OVERALL PERFORMANCE

- The Infrastructure Division is well-positioned to deliver value to the public, with a focus on performance, adaptability, and strategic alignment.
- We are on track to deliver 340 new units by 2028.

2024–25 Fiscal year	Units
Complete	94
In progress (starts)	177

PROGRAMS

The Program Division has three branches:

- **Regional Program Delivery Branch**, which is responsible for the delivery of services to clients, including the tenant-related operations of Public Housing, across the province;
- **Programs Branch**, which designs, and administers province-wide programs for tenants, homeowners, non-profits, and developers; and,
- **The Tenant and Landlord Relations Office**, which provides an alternative dispute resolution service outside of the traditional court process.

PROGRAM INFORMATION

Homeownership & Home Completion Programs

Homeownership Assistance Program (HAP) assists modest income households with income earning potential to buy or build a modest first home.

Home Completion Loan Program (HCL) assists low- and modest-income households to complete their partially finished homes.

Homeownership & Home Completion Programs

Year	2023-24		2024-25	
	Loans	Loan Amount	Loans	Loan Amount
Total	1	\$ 51,575.67	3	\$ 203,098.37

Homeowner & Emergency Repair Programs

The Homeowner Repair Programs assist low-income households who own and occupy existing substandard housing requiring major repairs or are lacking basic facilities; require modifications of existing homeowner or rental units to improve the accessibility of the dwelling for residents with disabilities and/or are seniors who require minor adaptations to facilitate and prolong independent living.

Emergency Repair Program assists homeowners in need by providing funding for repairs when the condition of the dwelling is a threat to the occupants' health or safety.

Year	2022-23			2023-24			2024-25		
	House-holds	Forgivable Loan	Repayable Loan	House-holds	Forgivable Loan	Repayable Loan	House-holds	Forgivable Loan	Repayable Loan
Total	1,106	\$ 5,709,912	\$ 1,578,997	1,230	\$ 7,090,833	\$ 2,111,409	1,231	\$ 7,115,012	\$ 2,313,554

Non-Profit Housing Program

This program supports private non-profit organizations, including cooperative groups, in assisting households in need to obtain affordable, adequate, and suitable rental accommodations. Operating subsidies are provided to ensure affordable rental units are available.

Year	2022-23		2023-24		2024-25	
	Households	Benefit	Households	Benefit	Households	Benefit
Total	1,536	\$ 7,582,926	1,238	\$ 6,228,747	1,451	\$ 5,787,506

Subsidized housing

HNB provides affordable, safe, and adequate housing to households across New Brunswick. Each household pays 30 per cent of their adjusted household income. These units are for individuals or for families who can live independently with little or no support.

- **Public Housing:** Housing NB owns 3,873 rental units across the province.
- **Rent Supplement Program:** Housing NB has agreements with private and non-profit landlords for 5,419 subsidized housing units. This program funds the difference between the rent households pay and the unit’s market rent value.
- **Rural and Indigenous Housing Program:** Provides 776 housing units in rural areas and to off-reserve indigenous households.

Direct-to-Tenant Rental Benefits

The Direct-to-Tenant benefits provide rental assistance to low-income families, seniors, non-elderly singles, and survivors of gender-based violence.

Year	2022-23		2023-24		2024-25	
	Households	Benefit	Households	Benefit	Households	Benefit
Total	1,659	\$ 6,054,708	2,642	\$ 9,239,173	6,469	\$ 31,083,114

Affordable Rental Housing Program

The Affordable Rental Housing Program (ARHP) provides funding to private entrepreneurs, non-profit groups and housing co-operatives for new construction, rehabilitation, and conversion of existing buildings.

2022-23		2023-24		2024-25	
Committed Funding	Units	Committed Funding	Units	Committed Funding	Units
\$ 5,690,000	115	\$ 3,669,000	48	\$ 20,405,500	115

Shelter Enhancement

The Shelter Enhancement Program provides financial assistance to repair transition houses and second-stage housing for women and children fleeing domestic and intimate partner violence, and repair homeless shelters.

Fiscal Year	Disbursements
2022-23	\$ 959,754
2023-24	\$ 184,499
2024-25	\$ 158,566

Tenant and Landlord Relations Office

The Tenant and Landlord Relations Office provides dispute resolution for the residential rental market in New Brunswick. The office also collects and manages security deposits for residential tenancies in the province.

Residential tenancies officers are appointed to carry out duties prescribed by *The Residential Tenancies Act*. The activities include holding in trust all security deposits paid by tenants pursuant to a residential tenancy lease; investigating and resolving disputes and complaints by mediation, when possible, or adjudication; enforcing *The Residential Tenancies Act*; and providing information about residential tenancies.

Statistics at a Glance	2023-24	2024-25	Change
Security deposits accepted	20,056	21,635	1,579
Net value of security deposits	\$ 52,331,073	\$ 59,287,586	\$ 6,956,513
Security deposits returned	13,417	14,455	1,038
Applications for assistance or disputed claims received	6,303	6,619	316

Rent Bank

The Rent Bank supports New Brunswick households with financial assistance to address rent arrears or utility payments, allowing low- to moderate-income renters to avoid eviction and maintain stable housing.

2023-24			2024-25		
Target households	Actual	Average grant	Target households	Actual	Average grant
195	216	-	750	643	\$ 1,450

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2024-25 for Housing NB.

Number of permanent and temporary employees as of December 31 each year		
Employee Type	2023	2024
Permanent	152	184
Temporary	5	13
Casuals	23	17
TOTAL	180	214

The corporation advertised 33 competitions, including 29 open (public) competitions and four closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

Appointment Type	Appointment Description	Section of the <i>Civil Service Act</i>	Number
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> a high degree of expertise and training a high degree of technical skill recognized experts in their field 	15(1)	10
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	0
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness.	16(1)(b)	0

Appointment Type	Appointment Description	Section of the <i>Civil Service Act</i>	Number
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school districts) and 3 (hospital authorities) of the Public Service.	16(1) or 16(1)(c)	5
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	40
Regular appointment of students/apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	4

Pursuant to section 33 of the *Civil Service Act*, 0 complaints alleging favouritism were made to the CEO of the New Brunswick Housing Corporation and 0 complaints were submitted to the Ombud.

Summary of legislation and legislative activity

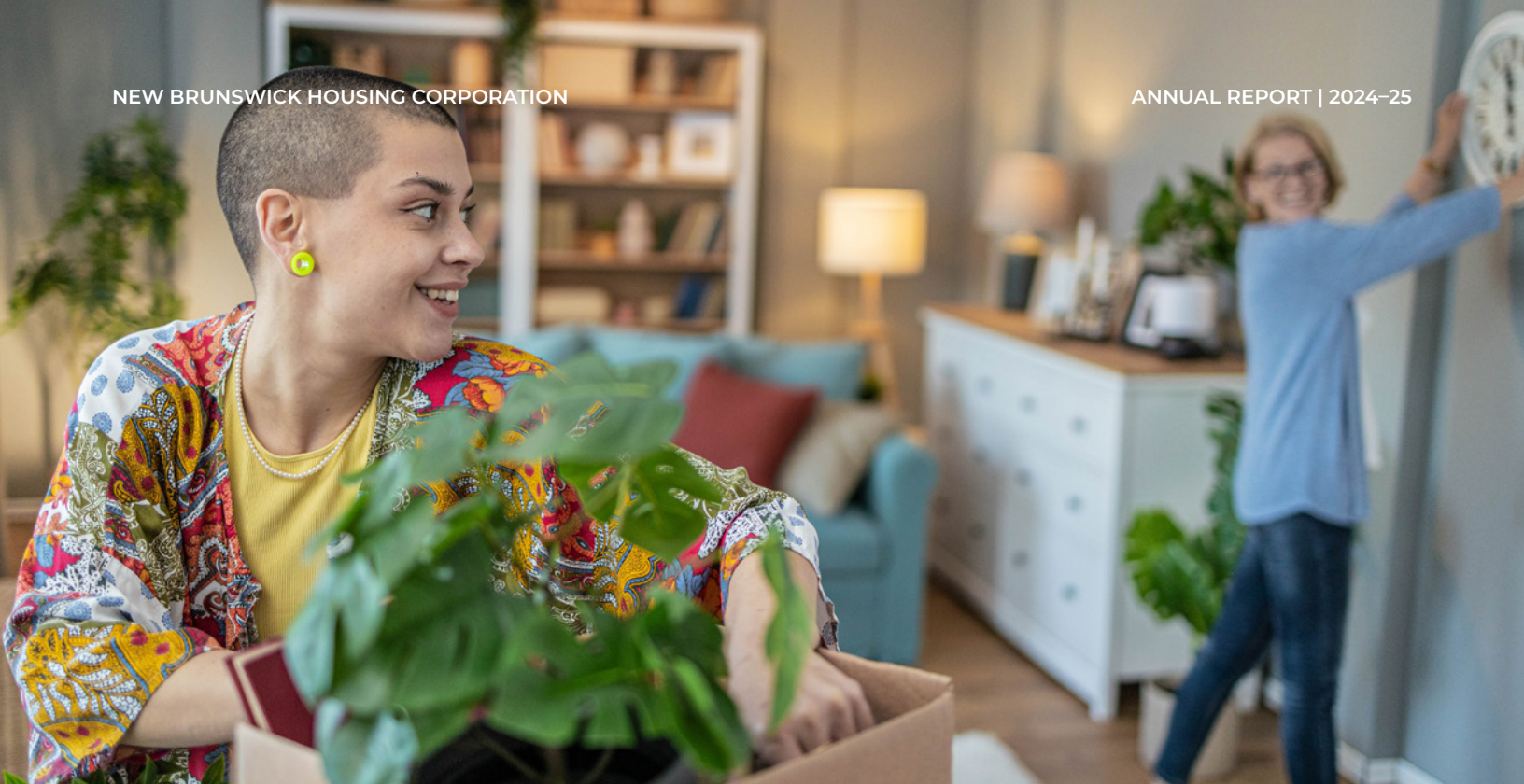
Please note that both pieces of legislation listed below were sponsored by Service New Brunswick when introduced and both are also listed in their annual report.

Bill #	Name of Legislation	Date of Royal Assent	Summary of changes
3	<p>An Act to Amend The Residential Tenancies Act</p> <p>An Act to Amend The Residential Tenancies Act - Legislative Assembly of New Brunswick</p>	The Bill received Royal Assent on December 13, 2024	The purpose of this Bill was to modify the Act and Regulations to implement a 3% rent cap effective February 1, 2025. The cap will be reviewed annually, and includes an exemption for extensive renovations.

Name of Regulation	Effective Date	Summary of changes
Regulation 82-218	June 3, 2024	Changes made to the thresholds for rent increases to link the maximum increase to the Consumer Price Index.

The acts for which the department was responsible for in 2024-25 may be found at:

New Brunswick Housing Act | The Residential Tenancies Act



Summary of Official Languages activities

The New Brunswick Housing Corporation is still in the process of developing and implementing an Official Languages plan. While the plan remains in development with the support of Social Development's Human Resources team, these actions were taken to ensure that HNB was providing high quality, equal bilingual services to both New Brunswickers and to HNB employees:

- Hiring of bilingual internal communications lead.
- Development of fully bilingual intranet.
- Establishing quarterly meetings for all employees with interpretation and bilingual presentations.
- Templates and documentation for communications with all employees made available in both official languages.
- Updating GNB.ca to have up-to-date information in both official languages.
- Hiring bilingual staff in key customer-facing positions across the corporation.

We received the following feedback from staff about the efforts to include both languages in the corporation:



Summary of recommendations from the Office of the Auditor General

Name and year of audit area	Recommendations
	Total
2024 — Volume 1: Performance Audit of the New Brunswick Housing Strategy agnb-V1-2024-report.pdf	7

Implemented Recommendations	Actions taken
<p>2024 V1 Chapter 4: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.20 We recommend the New Brunswick Housing Corporation include baseline data for the established targets in the ‘NB Housing Strategy: Housing for All’.</p>	<p>Implemented.</p> <p>Baseline data were provided and are used in the development of new housing targets.</p>
<p>2024 V1 Chapter 4: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.25 We recommend the New Brunswick Housing Corporation define what New Brunswick household income levels are considered high, medium, or low to enhance clarity, accountability, and transparency.</p>	<p>Implemented.</p> <p>For NB renters in 2024, the household disposable income ranges are:</p> <p>Low: less than \$44,800 Mid: \$44,801 to \$119,500 High: \$119,501+</p>
<p>2024 V1 Chapter 4: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.36 We recommend the New Brunswick Housing Corporation establish proposed timelines and calculate overall costs to government for all actions in the housing strategy.</p>	<p>Implemented.</p> <p>The budget for all initiatives was included in the three-year plan. Timelines have also been established for all initiatives.</p> <p>Actual results achieved and expenditures are published in the HNB Annual Report.</p>
<p>2024 V1 Chapter 4: NB Housing Strategy: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.38 We recommend the New Brunswick Housing Corporation ensure project plans and status tracking tools include key milestone information, start and end dates, and budgeted to actual costs.</p>	<p>Implemented.</p> <p>Project plans and status tracking are used by HNB monthly. We continue to improve our project management practices.</p>

Recommendations Not Implemented	Considerations
<p>2024 V1 Chapter 4: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.22 We recommend the New Brunswick Housing Corporation publish linkages between the stated actions and the targets they support within the 'NB Housing Strategy: Housing for All'.</p>	<p>In progress.</p> <p>Targets and measures have been established and will be published as part of the HNB Business Plan in 2025.</p>
<p>2024 V1 Chapter 4: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.28 We recommend the New Brunswick Housing Corporation clearly document how each action impacts targeted income levels within each strategic pillar.</p>	<p>In progress.</p> <p>The HNB Business Plan will include outcome targets for each priority area identified.</p>
<p>2024 V1 Chapter 4: NB Housing Strategy: Housing for All — New Brunswick Housing Corporation</p> <p>4.46 We recommend the New Brunswick Housing Corporation establish a performance reporting strategy, that includes frequency, content, and communication channels (internal and external).</p>	<p>In progress.</p> <p>HNB has established a performance monitoring system shared internally on a monthly basis. Priority metrics for housing starts and affordable housing starts will also be published quarterly on the GNB website. Year-end results are published in HNB's Annual Report.</p>

**Note the addition of the recommendations not implemented table is discretionary.*

Name and Year of Audit Area	Recommendations	
	Total	Implemented
<p>2020 Volume 3 Chapter 8: Risk of Contamination in Public Housing Units</p>	2	2

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The New Brunswick Housing Corporation received no disclosures of wrongdoing in the 2024-25 fiscal year.

Appendix – Financial statements

New Brunswick Housing Corporation

Management Report

The preparation of financial information is an integral part of management's responsibilities, and the accompanying financial statements are the responsibility of the management of the Corporation. This responsibility includes the selection of appropriate accounting policies and management estimates consistent with Canadian Public Sector Accounting Standards (PSAS).

The Corporation maintains accounting systems and related controls to provide reasonable assurance to management and the Board of Directors that transactions are executed, recorded as authorized, that assets are properly safeguarded, accounted for, and that financial records are reliable for the preparation of financial statements in accordance with PSAS.

It is the responsibility of the Board of Directors to oversee management's performance of its financial reporting responsibilities, to review and approve the financial statements. It is assisted in its responsibilities by the Audit and Finance Committee. This committee reviews and recommends approval of the financial statements and meets periodically with management and the external auditors concerning internal controls and matters related to the financial reporting. Upon the recommendation of the Audit and Finance Committee, these financial statements for the year ended March 31, 2025, are approved by the Board of Directors.



François Boutot
Chief Executive Officer



Ashley Crabbe, CPA, CGA
Acting Chief Financial Officer

Fredericton, N.B., Canada
February 13, 2026



INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Directors of the New Brunswick Housing Corporation

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the New Brunswick Housing Corporation (the Entity), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, change in accumulated surplus, change in net financial assets, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and the results of its operations, change in accumulated surplus, change in its net financial assets and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Restated Comparative Information

I draw attention to Note 19 of the financial statements, which explains that certain comparative information presented for the year ended March 31, 2024, has been restated. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Paul Martin, FCPA, FCA
Auditor General

Fredericton, New Brunswick, Canada
February 13, 2026

NEW BRUNSWICK HOUSING CORPORATION
STATEMENT OF FINANCIAL POSITION
As at 31 March

		(thousands)	
	Note	<u>2025</u>	<u>Restated 2024</u>
FINANCIAL ASSETS			
Due From Province of New Brunswick	4	\$ 25,944.1	\$ 28,180.0
Accounts Receivable	5	79,266.7	46,725.3
Loans Receivable	6	21,162.7	23,719.6
TOTAL FINANCIAL ASSETS		<u>126,373.5</u>	<u>98,624.9</u>
LIABILITIES			
Accounts Payable and Accrued Expenses	7	18,571.6	3,972.7
Deferred Revenue	8	7,624.7	8,555.3
Liability for Asset Retirement Obligations	9	56,831.5	55,809.6
Deposits Held in Trust		436.5	453.0
Long Term Debt	10	13,708.0	19,153.9
TOTAL LIABILITIES		<u>97,172.3</u>	<u>87,944.5</u>
NET FINANCIAL ASSETS		<u>29,201.2</u>	<u>10,680.4</u>
NON-FINANCIAL ASSETS			
Tangible Capital Assets	11	76,056.3	29,596.1
TOTAL NON-FINANCIAL ASSETS		<u>76,056.3</u>	<u>29,596.1</u>
ACCUMULATED SURPLUS		<u>\$ 105,257.5</u>	<u>\$ 40,276.5</u>

Contractual Rights (Note 12), Contractual Obligations (Note 13), Contingencies (Note 14), and Prior Period Adjustments (Note 19)



Hon. David Hickey
Minister Responsible for the New Brunswick
Housing Corporation



François Boutot
President and CEO

The accompanying notes are an integral part of these financial statements.

NEW BRUNSWICK HOUSING CORPORATION
STATEMENT OF OPERATIONS AND CHANGE IN ACCUMULATED SURPLUS
for the fiscal year ended 31 March

		(thousands)		
	Note	2025 Budget	2025 Actual	Restated 2024 Actual
REVENUES				
Provincial Sources				
Other Interest Income		\$ 1,000.0	\$ 1,459.7	\$ 1,643.1
Recoveries-Loans and Guarantees		1,310.0	410.9	1,128.2
Administration Fees - CMHC		90.0	-	31.0
Capital Recoveries-Housing		50.0	134.2	56.5
Rents-Public Housing Units		17,800.0	23,543.2	22,283.6
Other-Miscellaneous Revenue		-	1,378.8	2,699.6
Provincial Operating Grant	15	175,325.0	175,325.0	64,712.5
		<u>195,575.0</u>	<u>202,251.8</u>	<u>92,554.5</u>
Federal Sources				
Recoveries - CMHC	15	39,276.0	41,269.7	39,927.7
TOTAL REVENUES		<u>234,851.0</u>	<u>243,521.5</u>	<u>132,482.2</u>
EXPENSES				
	17			
Corporate and Other Services		3,765.0	7,276.3	3,521.6
Housing Program Delivery		130,461.0	106,848.8	95,512.5
Housing Facilities		59,356.0	52,145.6	27,699.8
Tenant Landlord Relations Office		2,759.0	2,283.1	2,391.3
Special Purpose Account	16	4,450.0	2,397.2	3,157.9
Public Housing Capital Maintenance		5,000.0	1,112.7	3,883.7
Amortization of Tangible Capital Assets		4,193.0	6,476.8	8,223.0
TOTAL EXPENSES		<u>209,984.0</u>	<u>178,540.5</u>	<u>144,389.8</u>
ANNUAL SURPLUS (DEFICIT)		24,867.0	64,981.0	(11,907.6)
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>40,276.5</u>	<u>40,276.5</u>	<u>52,184.1</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 65,143.5</u>	<u>\$ 105,257.5</u>	<u>\$ 40,276.5</u>

The accompanying notes are an integral part of these financial statements.

NEW BRUNSWICK HOUSING CORPORATION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
for the fiscal year ended 31 March

	(thousands)		
	2025	2025	Restated
	Budget	Actual	2024
	Actual		Actual
NET FINANCIAL ASSETS, BEGINNING OF YEAR	\$ 10,680.4	\$ 10,680.4	\$ 23,326.3
Annual Surplus (Deficit)	24,867.0	64,981.0	(11,907.6)
Acquisition of Tangible Capital Assets	(33,000.0)	(52,947.3)	(8,961.3)
Amortization of Tangible Capital Assets	4,193.0	6,476.8	8,223.0
Loss on Disposal or Impairment of Tangible Capital Assets	-	10.3	-
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(3,940.0)	18,520.8	(12,645.9)
NET FINANCIAL ASSETS, END OF YEAR	\$ 6,740.4	\$ 29,201.2	\$ 10,680.4

The accompanying notes are an integral part of these financial statements.

NEW BRUNSWICK HOUSING CORPORATION
STATEMENT OF CASH FLOW
for the fiscal year ended 31 March

	(thousands)	
	2025	Restated
	Actual	2024
	<u>Actual</u>	<u>Actual</u>
OPERATING ACTIVITIES		
Annual Surplus (Deficit)	\$ 64,981.0	\$ (11,907.6)
Non Cash Items		
Amortization of Tangible Capital Assets	6,476.8	8,223.0
Decrease in Deferred Revenue	(930.6)	(930.6)
Increase in Liability for Asset Retirement Obligations	1,021.9	1,528.6
Loss on Disposal or Impairment of Tangible Capital Assets	10.3	-
Changes in Working Capital		
Increase in Accounts Receivable	(32,541.4)	(27,394.3)
Increase (Decrease) in Accounts Payable and Accrued Expenses	14,598.9	(2,988.5)
(Decrease) Increase in Deposits Held in Trust	(16.5)	33.9
Net Cash From Operating Activities	<u>53,600.4</u>	<u>(33,435.5)</u>
INVESTING ACTIVITIES		
Decrease in Loans Receivable	<u>2,556.9</u>	<u>5,870.9</u>
CAPITAL ACTIVITIES		
Acquisition of Tangible Capital Assets	<u>(52,947.3)</u>	<u>(8,961.3)</u>
FINANCING ACTIVITIES		
Retirement of Long Term Debt	<u>(5,445.9)</u>	<u>(6,989.3)</u>
DECREASE IN CASH DURING THE YEAR	(2,235.9)	(43,515.2)
CASH AND CASH EQUIVALENTS , BEGINNING OF YEAR	<u>28,180.0</u>	<u>71,695.3</u>
CASH AND CASH EQUIVALENTS , END OF YEAR	<u><u>\$ 25,944.1</u></u>	<u><u>\$ 28,180.0</u></u>
CASH AND CASH EQUIVALENTS IS REPRESENTED BY		
Due from Province of New Brunswick	<u><u>\$ 25,944.1</u></u>	<u><u>\$ 28,180.0</u></u>

The accompanying notes are an integral part of these financial statements.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

NOTE 1 - NATURE OF OPERATIONS

The New Brunswick Housing Corporation (the Corporation) is a non-taxable Crown Corporation operating under the authority of the *New Brunswick Housing Act* (the Act). The purpose of the Corporation is to improve housing options for New Brunswickers, to develop and maintain subsidized housing programs and facilities, and to regulate and enforce the *Residential Tenancies Act*. Its affairs are governed by a Board of Directors appointed by the Lieutenant-Governor in Council.

On February 13, 2023, the Province of New Brunswick's Policy and Priorities Board and Treasury Board approved the renewal of the New Brunswick Housing Corporation. As a result of this decision, amendments were made to the Act effective April 1, 2023. These amendments transferred responsibility for the Act from the Minister of Social Development to the minister responsible for housing. These amendments also transferred responsibilities under the Act to the Corporation from those previously administered by the Department of Social Development.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) as issued by the Public Sector Accounting Board.

Budget Figures

The budget figures included in these financial statements are the amounts presented in the Province's Main Estimates.

Asset Classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets.

Financial Assets

Due from Province of New Brunswick

The Corporation does not have a separate bank account. Expenses and revenues flow through the Province of New Brunswick's (the Province) bank accounts. These funds represent the Corporation's cash and cash equivalents.

Accounts Receivable and Loans Receivable

Accounts receivable and loans receivable are initially recorded at cost and reported at lower of cost and net recoverable value through a valuation allowance. Changes in the valuation allowance are recognized in expense. Amounts due to the Corporation but deemed uncollectible are written off from the accounts of the Corporation once the write-off has been approved by either Treasury Board or the Secretary to Treasury Board depending on the dollar value involved.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

Subsequent recoveries of amounts previously allowed for or written off are recognized as other revenue and recoveries in the Statement of Operations and Change in Accumulated Surplus.

Interest revenue is recognized on a loan when earned and ceases to be accrued when the collectability of either the principal or interest is not reasonably assured.

Liabilities

Asset Retirement Obligations

A liability for asset retirement costs is recognized when there is a legal obligation to incur retirement costs for a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of costs can be made. The liability is based on information available at the financial statement date and on costs directly attributable to asset retirement activities. The carrying amount of the liability is reviewed at each financial statement date, and any revisions to the amount previously recognized are accounted for in the period in which revisions are made.

Deferred Revenue

The Corporation defers revenues received or receivable when an associated performance obligation of the Corporation has not been met by the financial reporting date. The liability is discharged and recognized in revenue as the performance obligation is met. Deferred revenue includes amounts received from CMHC under various agreements that stipulate how funds are to be spent.

Non-Financial Assets

Tangible Capital Assets

Tangible capital assets are assets owned by the Corporation which have useful lives greater than one year. Certain dollar thresholds for capitalization have been established for practical purposes. The costs recorded for tangible capital assets include those incurred for the acquisition or construction, as well as an estimate of the costs that will be legally required to retire the asset. These costs are amortized on a straight-line basis over the estimated useful life of the asset. In the year of acquisition and disposal, one half of the annual amortization expense is recorded. Costs for assets under construction are not amortized until the asset is available to be put into service.

Thresholds and Estimated Useful Lives

Asset Class	Cost Threshold	Estimated Useful Life
Land	Any	n/a
Buildings	\$100,000	20-40 years
Computer Software	\$100,000	5 years

Revenues

Public Housing Revenue

Revenues from public housing rental revenue, other rental revenue, and other revenue and recoveries are recognized on an accrual basis as the Corporation fulfills its performance obligation by providing the promised goods or services to the payor over time, and future economic benefits are measurable and expected to be

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

obtained. An allowance is established for any amounts deemed not recoverable through bad debt expense. Public housing leases are on a month-to-month basis.

Interest

Interest income is recognized on an accrual basis using the effective interest method.

Government Transfers

Government transfers are recognized as revenue in the period during which the transfer is authorized, and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Transfers meeting the definition of a liability are recorded as deferred revenue and are recognized as revenue when transfer stipulations are met.

Government transfers are provided by the Province in accordance with the Main Estimates process and by CMHC in accordance with the Social Housing Agreement and the Bilateral Agreement Under the 2017 National Housing Strategy.

Expenses

Government Transfers

Government transfers are transfers of money, such as grants, to individuals or organizations for which the Corporation does not directly receive any goods or services in return. Government transfers are recognized as expenses in the period during which the event giving rise to the transfer occurred, provided that the transfer has been authorized and all eligibility criteria have been met by the recipient. Major government transfers during the period include grants to tenants, landlords and not-for-profit organizations for social housing programs and homeowners for homeownership programs.

Pension Contributions

The New Brunswick Public Service Pension Plan (NBPSPP) is a shared risk pension plan in accordance with New Brunswick's *Pension Benefits Act*. Certain employees of the Corporation are entitled to receive benefits under the NBPSPP. This plan requires all employer classified full-time employees participate in the plan, which is funded by both the employee and employer. Employer pension contributions are paid and expensed by the Province on behalf of the Corporation. The Corporation is not responsible for any unfunded liability, nor does it have access to any surplus with respect to its employee pensions.

Retirement Allowances

Certain long-serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province. The Province made changes to its retirement allowance program in 2013 where management and non-union employees of the Corporation will no longer accumulate retirement allowance credits. Employees who were participating in this program were offered a choice of pay-out in lieu of a retirement allowance or the option to defer the pay-out until retirement. The costs and liability associated with the plan is not the responsibility or obligation of the Corporation and is recorded by the Province in its financial statements.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

Expenses Paid by Others

Certain employer costs are paid and expensed by the Province on behalf of the Corporation. Sick leave liability is accounted for by the Province in its consolidated financial statements. These expenses and the related liability balances are not presented in these financial statements. Certain operating expenses are provided by the Province without charge as discussed in Note 4.

Financial Instruments

The Corporation's financial instruments and their measurement bases are as follows:

Financial Instrument	Measurement Basis
Due from Province of New Brunswick	Cost
Accounts Receivable	Amortized Cost
Loans Receivable	Cost
Accounts Payable and Accrued Expenses	Cost
Deferred Revenue	Cost
Deposits Held in Trust	Cost
Long Term Debt	Amortized Cost

Financial instruments are initially recognized at fair value when the Corporation becomes a party to the contractual rights and obligations of the financial instrument and are subsequently carried at cost or amortized cost. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Financial instruments are derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred, and the Corporation has transferred substantially all risks and rewards of ownership or when the contractual obligation has been discharged, cancelled, or has expired.

The Corporation does not own any derivatives, portfolio investments or other financial instruments designated in the fair value category and as such, has not included a Statement of Remeasurement Gains and Losses.

Measurement Uncertainty

The preparation of financial statements in accordance with PSAS requires the Corporation to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses in the financial statements. By their nature, these estimates and assumptions are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although at the time of preparation of these financial statements the Corporation believes the estimates and assumptions to be reasonable.

Measurement uncertainty exists with respect to the reported amounts for:

- i. Accounts receivable and loans receivable; due to the estimation of the valuation of allowances for uncollectible balances.
- ii. Tangible capital assets; due to the estimation of the expected useful lives of the assets.
- iii. Asset retirement obligations; as asset retirement costs are based on long term estimates that rely on assumptions about the timing and cost of future asset retirement activities and other elements such as inflation and interest rates.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

NOTE 3 - RISK MANAGEMENT

The Corporation is exposed to risks from its use of financial instruments. An analysis of significant risk from the Corporation's financial instruments is provided below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The risk arises most significantly in accounts receivable and loans receivable. To mitigate risks, accounts receivable risks are monitored with outstanding balances pursued for payment and loans receivable are backed by a mortgage or promissory note.

The Corporation is exposed to credit risk through its financial assets and the maximum exposure to credit risk is as follows:

	(thousands)	
	<u>2025</u>	<u>2024</u>
Financial Assets:		
Due From Province of New Brunswick	\$ 25,944.1	\$ 28,180.0
Accounts Receivable	79,266.7	46,725.3
Loans Receivable	21,162.7	23,719.6
	<u>\$ 126,373.5</u>	<u>\$ 98,624.9</u>

Accounts receivable and loans receivable include amounts that are past due and considered to be impaired. Allowances recorded to reflect the impairments are provided in Notes 5 and 6.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations. The Corporation manages liquidity risk through its amounts Due from Province of New Brunswick to ensure sufficient cash availability to meet financial obligations. A maturity analysis of long-term debt is presented in Note 10. Accounts payable are short term in nature, with payment generally due within 30 days after receipt of a payment request.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows related to financial instruments will fluctuate due to changes in interest rates. The Corporation's rate of interest applicable to loans receivable and long term debt are fixed as stated in legal agreements. Any change in market interest rates during the period would have no effect on the Corporation's cash flows unless a debt instrument were restructured or refinanced.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

NOTE 4 - RELATED PARTY DISCLOSURES AND INTER-ENTITY TRANSACTIONS

Inter-Entity Transactions

Inter-entity transactions are transactions between commonly controlled entities. When transactions are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where the costs of goods or services provided are recovered, they are measured at the exchange amount. All other inter-entity transactions are recorded on a gross basis and are measured at the carrying amount as recorded in the accounts of the provider.

The Corporation is owned by the Province of New Brunswick and is therefore related to all departments, agencies, commissions and Crown corporations under common control of the Province of New Brunswick.

Transactions with the Province of New Brunswick and entities under common control of the Province are settled in normal trade terms, with the exception of the items noted below:

- The Corporation is economically dependent on the Province. During the fiscal year, the Corporation received \$175.3 million (\$64.7 million 2024) in grants from the Province.
- The Corporation uses some office space for which rent is paid for by the Province.
- The Province contributes certain other services, such as legal and personnel services pending subsequent transfer to the Corporation.
- The Province records the employer expenses for the following: Pension contributions, Canada Pension Plan contributions, Retirement Allowance payments, Group Life Insurance, and Supplementary Employee Retirement Program on behalf of the Corporation. These expenses along with Sick Leave Liability Accrual and Worksafe Liability Accrual are not presented in these financial statements. Under the agreed operating terms of the Corporation, these benefit plan balances are obligations/assets of the Province and are not assumed by the Corporation.
- Employees of the Department of Social Development also provide support to the Corporation such as human resource services support and records support.

There are no contractual obligations or contingent liabilities with related entities.

The Statement of Financial Position contains the following related entity amounts.

	(thousands)	
	2025	2024
Due from the Province of New Brunswick	\$ 25,944.1	\$ 28,180.0
Loans Receivable	2,095.9	3,169.1
Accounts Payable and Accrued Liabilities	(3,807.2)	(1,595.1)
Net Due to the Corporation	\$ 24,232.8	\$ 29,754.0

The Statement of Operations and Change in Accumulated Surplus contains the following amounts that were received from or paid to the Province of New Brunswick related entities:

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

	(thousands)	
	2025	2024
Revenue	\$ 176,578.5	\$ 66,715.4
Expense	19,172.5	13,814.3
	\$ 157,406.0	\$ 52,901.1

Other Related Party Transactions

Other related parties are key management personnel and their close family members and any entities affiliated with them. Key management personnel have the authority and responsibility for planning, directing, and controlling the activities of the New Brunswick Housing Corporation, and have been identified as the Minister, Chief Executive Officer, Executive Assistants to Ministers, and the directors of the Corporation's Board of Directors. For the year ended March 31, 2025, there were no material transactions that occurred at a value other than fair market value between the Corporation and key management personnel, their close family members, or any entities with which they are affiliated.

NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivables are reported at their net realizable value. The Corporation reviews the aging of receivables, collection trends, and other relevant factors to estimate an allowance for doubtful accounts. Included in the balance below is \$6.2M of Housing Client balances deemed to be uncollectible and will be written off upon approval.

	(thousands)	
	2025	2024
Accounts Receivable from Housing Clients	\$ 13,903.5	\$ 12,455.0
Less: Allowance for Doubtful Accounts	12,223.1	11,353.0
	1,680.4	1,102.0
Due from Federal Government	77,586.3	45,623.3
	\$ 79,266.7	\$ 46,725.3

Receivables

Include rental charges, recoverable maintenance costs, and other amounts owed by tenants. Outstanding balances are subject to collection policies.

Allowance for Doubtful Accounts

The allowance is determined based on historical collection data and management's assessment of tenant payment risk. Accounts with no repayment activity for three years may be recommended for write-off, subject to approval by the Corporation's Board of Directors and the Department of Finance and Treasury Board.

Due from Federal Government

This represents contributions and reimbursements under agreements with CMHC and the HST recovery. The CMHC amounts relate to jointly funded programs for housing and are settled regularly.

NEW BRUNSWICK HOUSING CORPORATION
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NOTE 6 - LOANS RECEIVABLE

Loans receivables are recorded at amortized cost and include amounts due from homeowners under various housing assistance programs. The Corporation reviews loans on an ongoing basis to assess collectability, and an allowance for doubtful accounts is recorded to reflect expected losses. Included in the balance below is \$1.3M of loans deemed to be uncollectible and will be written off upon approval.

	(thousands)	
	2025	2024
Loans Receivable	\$ 31,401.7	\$ 34,682.4
Less: Provision for Impaired Loans	10,239.0	10,962.8
	\$ 21,162.7	\$ 23,719.6

Loan Terms and Security

Housing programs loans are issued with terms of up to 30 years, with interest rates ranging from 0% to the provincial borrowing rate. Loans may be secured by a mortgage for amounts exceeding \$10,000 or a promissory note for amounts below \$10,000.

Matured Loans

Loans that have reached maturity with outstanding balances are subject to renegotiation or collection activities. Borrowers are contacted prior to maturity to arrange repayment plans. Repayment terms are based on financial analyses of borrowers' capacities to pay and may extend up to a maximum of 10 years. Interest is applied at the current provincial borrowing rate.

Allowance for Doubtful Accounts

The allowance reflects management's estimate of potential losses based on historical trends, borrower circumstances, and specific account reviews. Loans with no repayment activity for an extended period are reviewed for potential write-off, subject to approval by the Corporation's Board of Directors and the Department of Finance and Treasury Board.

NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable represent the Corporation's obligations to service providers, accrued employee entitlements, and funds withheld under construction contracts. All accounts payable are non-interest bearing and are settled within standard payment terms. The accounts payable balance is categorized as follows:

	(thousands)	
	2025	2024
General Accounts Payable	\$ 14,870.9	\$ 3,528.4
Employee Benefits	885.0	285.6
Contract Holdbacks	2,815.7	158.7
	\$ 18,571.6	\$ 3,972.7

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 8 - DEFERRED REVENUE

In 2016, the Corporation entered into the Social Infrastructure Fund Agreement (SIF) with CMHC to improve the quality and increase the supply of affordable housing and to support economic growth in New Brunswick. The SIF agreement provided \$40.2 million in contributions over two years. All contributions were claimed by March 31, 2018.

Undisbursed contributions of CMHC funding related to this agreement are as follows:

	(thousands)	
	2025	2024
CMHC - SIF Agreement	\$ 7,624.7	\$ 8,555.3

NOTE 9 – LIABILITY FOR ASSET RETIREMENT OBLIGATIONS

The Corporation recognizes a liability for legal obligations associated with the disposal of regulated materials such as asbestos, lead, mercury, and refrigerants associated with housing buildings. The liability is based on management's best estimate. Due to the uncertainty of timing for the settlement of obligations, no costs have been discounted.

	(thousands)	
	2025	2024
Opening Asset Retirement Obligations	\$ 55,809.6	\$ 54,281.0
Additions	196.8	-
Disposals	(123.2)	-
Settlements	(333.1)	-
Inflationary Adjustment	1,281.4	1,528.6
Closing Asset Retirement Obligations	\$ 56,831.5	\$ 55,809.6

NOTE 10 - LONG TERM DEBT

Mortgages and debentures are payable to CMHC with maturity dates ranging from 2025 to 2034 and interest rates ranging from 0.65% to 17.50%. Debentures are not secured and can be retired prior to maturity.

	(thousands)	
	2025	2024
Mortgages Payable	\$ 6,775.1	\$ 10,147.9
Debentures Payable	6,932.9	9,006.0
	\$ 13,708.0	\$ 19,153.9

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
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Anticipated annual principal repayments over the next five years and thereafter are as follows:

2025-2026	\$ 4,616.3
2026-2027	2,961.7
2027-2028	2,038.3
2028-2029	1,122.5
2029-2030 and thereafter	2,969.2
	<u>\$ 13,708.0</u>

Interest expense for the year on outstanding debt totaled \$1,480.0 (2024 - \$1,822.1).

NOTE 11 - TANGIBLE CAPITAL ASSETS

	(thousands)			2024
	2025			
	Land and Buildings	Computer Software	Total	
Cost				
Opening Costs	\$ 126,451.9	\$ 27,941.0	\$ 154,392.9	\$ 145,431.6
Additions	52,947.3	-	52,947.3	8,961.3
Disposals	(206.0)	-	(206.0)	-
Adjustments	-	-	-	-
Impairments	-	-	-	-
Closing Costs	<u>179,193.2</u>	<u>27,941.0</u>	<u>207,134.2</u>	<u>154,392.9</u>
Accumulated Amortization				
Opening Accumulated Amortization	102,465.5	22,331.3	124,796.8	116,573.8
Amortization	3,995.5	2,481.3	6,476.8	8,223.0
Disposals	(195.7)	-	(195.7)	-
Adjustments	-	-	-	-
Closing Accumulated Amortization	<u>106,265.3</u>	<u>24,812.6</u>	<u>131,077.9</u>	<u>124,796.8</u>
Net Book Value	<u>\$ 72,927.9</u>	<u>\$ 3,128.4</u>	<u>\$ 76,056.3</u>	<u>\$ 29,596.1</u>
Assets Under Construction Included in Closing Costs				
	<u>\$ 31,866.0</u>	<u>\$ 3,128.4</u>	<u>\$ 34,994.4</u>	<u>\$ 6,119.4</u>

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 12 - CONTRACTUAL RIGHTS

Contractual rights are rights of the Corporation to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

The nature of the Corporation's activities results in significant multi-year contracts and rights. The Corporation currently has outstanding contractual rights as follows:

	(millions)					
	2026	2027	2028	2029	2030+	Total
National Housing Strategy Agreement ¹	\$ 31.5	\$ 35.4	\$ 37.2	\$ -	\$ -	\$ 104.1
Social Housing Agreement	8.8	6.1	3.8	2.4	5.8	26.9
	<u>\$ 40.3</u>	<u>\$ 41.5</u>	<u>\$ 41.0</u>	<u>\$ 2.4</u>	<u>\$ 5.8</u>	<u>\$ 131.0</u>

¹ The Federal/Provincial Agreements includes claim-based agreements. The totals represent the maximum amount of eligible future costs that could be claimed through these agreements.

The Corporation is party to numerous housing and residential unit leases, which entitle the Corporation to revenue over the term of the agreements.

NOTE 13 - CONTRACTUAL OBLIGATIONS

Contractual obligations represent a legal obligation of the Corporation to others and will become liabilities in the future when the terms of the contract are met.

The Corporation currently has outstanding contractual commitments, other than operating leases, as follows:

	(thousands)					
	2026	2027	2028	2029	2030+	Total
National Housing Strategy Agreement	\$ 31,978	\$ 35,860	\$ 37,668	\$ -	\$ -	\$ 105,506
Construction Contracts	25,601	-	-	-	-	25,601
Various Service Agreements	1,740	280	-	-	-	2,020
	<u>\$ 59,319</u>	<u>\$ 36,140</u>	<u>\$ 37,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,127</u>

In addition to the above, the Corporation has other commitments for which measurement uncertainty exists and are not disclosed in the totals above, including but not limited to rent supplement agreements and agreements with non-profit agencies.

The Corporation enters other contractual arrangements on a regular basis in its normal course of operations.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

NOTE 14 - CONTINGENCIES

Contingent Liabilities

Insurance

The Corporation does not carry general liability insurance or property insurance on its assets. Any successful liability claims against the Corporation and any replacement of lost or damaged property are charged to expense in the year of settlement or replacement.

Legal Actions

The Corporation is involved in various legal proceedings arising from government activities from which the outcome is either not determinable or have been accrued in the financial statements at management's best estimate of the likely losses due to legal actions. Contingent assets are not recorded in these financial statements. Amounts related to legal actions are not disclosed to prevent adverse effects on the outcome of the litigations.

NOTE 15 - REVENUE FROM GOVERNMENT TRANSFERS

The Province includes appropriations for the Corporation in its Main Estimates and Capital Estimates. Expenditures from these appropriations are recognized as grants from the Province.

In 2018, the Corporation entered into the Bilateral Agreement Under the 2017 National Housing Strategy (NHS Bilateral) with CMHC to increase the supply of social housing, preserve existing social housing, and support housing affordability. The NHS Bilateral agreement is scheduled to provide funding over ten years ending in 2028.

In 1997, the Corporation entered into the Social Housing Agreement (SHA) with CMHC to transfer full responsibility for the management of various public housing programs to the Corporation. CMHC provides annual funding to the Corporation to manage these programs. The SHA and related funding expire in 2034.

Government transfers included in revenue are as follows:

	(thousands)	
	<u>2025</u>	<u>2024</u>
Operating Funding from the Province	\$ 137,375.0	\$ 57,673.3
Capital Funding from the Province	37,950.0	7,039.2
CMHC - SHA	10,989.6	13,868.7
CMHC - NHS Bilateral	29,349.5	25,128.4
CMHC - Other	930.6	930.6
	<u>\$ 216,594.7</u>	<u>\$ 104,640.2</u>

NEW BRUNSWICK HOUSING CORPORATION
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NOTE 16 - SPECIAL PURPOSE ACCOUNT

Special purpose account revenue earned but not spent accumulates as a surplus in that account and may be spent in future years for the purposes specified. The accumulated special purpose account surplus is a component of net financial assets and accumulated surplus.

The Corporation's special purpose account tracks CMHC funding provided for the operation of programs that fall under the administration of the Social Housing Agreement. Fund revenues include interest earned on the fund, interest earned from second mortgages, and the cumulative excess of funding for social housing not spent to date. Expenditures from the fund are for approved CMHC program funding, any annual excess of which may be carried over for future program expenditures until the agreement expiration date in 2034.

The following table summarizes the change in the accumulated special purpose account surplus:

	(thousands)	
	<u>2025</u>	<u>2024</u>
Opening Accumulated Surplus	\$ 12,132.3	\$ 14,087.9
Revenues	595.0	1,202.3
Expenditures	2,397.2	3,157.9
Closing Accumulated Surplus	<u>\$ 10,330.1</u>	<u>\$ 12,132.3</u>

NOTE 17 - EXPENSES BY OBJECT

	(thousands)	
	<u>2025</u>	<u>2024</u>
Grants and Subsidies	\$ 100,355.9	\$ 66,862.5
Operating and Maintenance Services	25,218.8	21,710.2
Utilities and Real Property Taxes	19,398.0	17,295.7
Compensation and Benefits	15,181.6	14,533.9
Amortization of Tangible Capital Assets	6,476.8	8,223.0
Bad Debt Expense	157.6	5,871.0
Other Services	8,624.4	5,857.1
Debt and Other Charges	1,630.5	2,103.4
Materials and Supplies	1,496.9	1,933.0
	<u>\$ 178,540.5</u>	<u>\$ 144,389.8</u>

NOTE 18 – COMPARATIVE FIGURES

Certain of the 2024 figures have been reclassified to conform with the presentation adopted for 2025.

NEW BRUNSWICK HOUSING CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2025

Note 19 – PRIOR PERIOD ADJUSTMENT

As a result of the correction of several prior period errors, certain 2024 figures have been restated. The corrections resulted in a restatement of certain 2024 figures as follows: an increase in due from Province of New Brunswick by \$1.6 million, an increase in loans receivable of \$0.6 million, a decrease in accounts payable and accrued expense of \$2.3 million, an increase in tangible capital assets of \$1.5 million, an increase in revenues of \$0.7 million, and a decrease in expenses of \$3.8 million.

The table below summarizes the impact of the restatements on the opening 2025 net financial assets and accumulated surplus:

Restated Net Financial Assets - Beginning of the Year	(thousands)
Net Financial Assets - Beginning of the Year	2024
As Previously Published	\$ 6,200.8
Due from Province of New Brunswick	1,577.1
Accounts Receivable	-
Loans Receivable	582.1
Accounts Payable and Accrued Expenses	<u>2,320.4</u>
Restated Net Financial Assets - Beginning of the Year	<u>\$ 10,680.4</u>
Restated Opening Accumulated Surplus - Beginning of the Year	
	(thousands)
Accumulated Surplus - Beginning of the Year	2024
As Previously Published	\$ 34,268.3
Tangible Capital Assets	1,528.6
Due from Province of New Brunswick	1,577.1
Accounts Receivable	-
Loans Receivable	582.1
Accounts Payable and Accrued Expenses	<u>2,320.4</u>
Restated Opening Accumulated Surplus - Beginning of the Year	<u>\$ 40,276.5</u>
Restated Statement of Operations - Year Ended 31 March	
	(thousands)
Statement of Operations - Annual Surplus (Deficit)	2024
As Previously Published	\$ (16,485.0)
Revenues	728.3
Expenses	<u>3,849.1</u>
Restated Annual Surplus (Deficit)	<u>\$ (11,907.6)</u>



Official opening of new affordable housing units in Moncton.

Left to right: Hon. David Hickey, Minister responsible for the New Brunswick Housing Corporation, Natacha Vautour, MLA for Dieppe-Memramcook, Hon. Claire Johnson, Greg Forestell, Vice-President, NBHC, Paul Richard, Councillor Ward 4, Moncton City Council.

Ouverture officielle de nouvelles unités de logement abordable à Moncton.
De gauche à droite : l'honorable David Hickey, ministre responsable de la Société d'habitation du Nouveau-Brunswick, Natacha Vautour, députée de Dieppe-Memramcook, l'honorable Claire Johnson, Greg Forestell, vice-président, SHNB, Paul Richard, conseiller du quartier 4, Conseil municipal de Moncton.

