CANMORE COMMUNITY HOUSING CORPORATION

FINANCIAL STATEMENTS

For the year ended December 31, 2025

CANMORE COMMUNITY HOUSING CORPORATION
TABLE OF CONTENTS
For the year ended December 31, 2025

INDEPENDENT AUDITOR'S REPORT

To: The Board of
Canmore Community Housing Corporation

Opinion
We have audited the financial statements of the Canmore Community Housing Corporation which comprise the statement of financial position as at December 31, 2025, and the statements of operations, remeasurement gains and losses, change in net financial debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2025, its results of operations, remeasurement gains and losses, change in net financial debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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

Emphasis of Matter
We draw attention to note 17 which describes amendments made to prior year's figures. Our audit opinion is not modified in respect to these matters.

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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibilities for the Audit of the Financial Statements
Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 organization’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 organization’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the organization 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.

We 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 we identify during our audit.

Avail LLP

Lethbridge, Alberta

April 9, 2026

Chartered Professional Accountants

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF FINANCIAL POSITION
As at December 31, 2025

	2025	2024 (restated)
Financial assets		
Cash	$ 7,263,277	$ 1,453,376
Trade and other receivables (note 3)	2,448,160	619,312
Funds held in trust (damage deposits)	134,198	134,712
Inventory held for resale	-	492,947
Investment in future housing developments (note 4)	647,277	3,996,643
	10,492,912	6,696,990
Liabilities		
Accounts payable and accrued liabilities	2,801,247	1,657,100
Deferred revenue (note 5)	12,736	12,736
Funds held in trust (damage deposits)	134,198	134,712
Long-term debt (note 6)	20,832,967	8,247,983
Due to related parties (note 7)	432,250	1,487,950
	24,213,398	11,540,481
Net financial debt	(13,720,486)	(4,843,491)
Non-financial assets		
Prepaid expenses and deposits	186,619	299,123
Tangible capital assets (schedule 1)	27,657,219	17,895,424
	27,843,838	18,194,547
Accumulated surplus (note 8, schedule 2)		
Accumulated operating surplus	14,123,352	13,351,056
Accumulated remeasurement gains (losses)	-	-
	$ 14,123,352	$ 13,351,056

Commitments and contingencies (note 14)

Approved on behalf of the board:

Director [signature] Director Matt Simmonds

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF OPERATIONS
For the year ended December 31, 2025

	Budget (unaudited)	2025	2024
Revenue			
Contributions from Town of Canmore	$ 692,000	$ 692,000	$ 708,540
Interest	134,300	165,825	121,950
Resale administration	-	47,350	41,962
Other	-	818	530
	826,300	905,993	872,982
Expenses			
Wages and benefits	807,280	688,009	713,279
Rent	68,442	118,935	88,057
Office	33,500	39,391	28,692
Professional fees	48,500	37,030	22,332
Programs	11,250	17,738	33,142
Resale administration	7,500	14,296	6,025
Travel and accommodation	4,500	9,274	10,038
Contract service	5,000	6,720	5,400
Insurance	3,880	3,935	3,308
Meals and entertainment	3,500	2,314	4,036
Interest and bank charges	410	757	1,509
Advertising	3,500	-	4,676
Amortization of tangible capital assets	3,811	2,832	3,350
	1,001,073	941,231	923,844
Deficiency of revenue over expenses before other	(174,773)	(35,238)	(50,862)
Other			
Housing resale revenue	489,550	10,965,737	2,008,339
Housing resale expenses	-	(10,685,838)	(1,812,013)
Rental revenue	1,947,925	1,838,596	1,775,593
Rental expenses	(922,105)	(697,032)	(1,050,543)
Rental interest	(229,564)	(229,564)	(275,343)
Rental amortization	(384,365)	(384,365)	(399,754)
	901,441	807,534	246,279
Excess of revenue over expenses	726,668	772,296	195,417
Accumulated operating surplus, beginning of year	13,351,056	13,351,056	13,155,639
Accumulated operating surplus, end of year	$ 14,077,724	$ 14,123,352	$ 13,351,056

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the year ended December 31, 2025

	2025	2024
Accumulated remeasurement gains (losses), beginning of year	$ -	$ -
Unrealized gains (losses) attributable to:		
Equity investments	-	-
Amounts reclassified to statements of operations:		
Equity investments realized gains	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses), end of year	$ -	$ -

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF CHANGE IN NET FINANCIAL DEBT
For the year ended December 31, 2025

	Budget (unaudited)	2025	2024 (restated)
Excess of revenue over expenses	$ 726,668	$ 772,296	$ 195,417
Acquisition of tangible capital assets	-	(10,148,991)	(1,133,070)
Amortization of tangible capital assets	388,176	387,197	403,104
	388,176	(9,761,794)	(729,966)
Net change in prepaid expenses	-	112,503	(281,099)
Change in net financial debt	1,114,844	(8,876,995)	(815,648)
Net financial debt, beginning of year			
As previously stated	(3,798,641)	(3,798,641)	(2,982,993)
Prior period adjustment (note 17)	(1,044,850)	(1,044,850)	(1,044,850)
As restated	(4,843,491)	(4,843,491)	(4,027,843)
Net financial debt, end of year	$ (3,728,647)	$ (13,720,486)	$ (4,843,491)

CANMORE COMMUNITY HOUSING CORPORATION
STATEMENT OF CASH FLOWS
For the year ended December 31, 2025

	2025	2024 (restated)
Operating transactions		
Excess of revenue over expenses	$ 772,296	$ 195,417
Adjustments for items which do not affect cash		
Amortization of tangible capital assets	387,197	403,104
	1,159,493	598,521
Net change in non-cash working capital items		
Trade and other receivables	(1,828,849)	(217,431)
Inventory held for resale	492,947	1,390,931
Prepaid expenses and deposits	112,504	(281,099)
Accounts payable and accrued liabilities	1,144,147	1,458,376
Funds held in trust (damage deposits)	-	(1,247)
Cash provided by operating transactions	1,080,242	2,948,051
Capital transactions		
Acquisition of tangible capital assets	(10,148,991)	(1,133,069)
Investment in future housing developments	3,349,366	(3,909,690)
Cash applied to capital transactions	(6,799,625)	(5,042,759)
Financing transactions		
Proceeds on long-term debt	18,049,914	-
Repayment of long-term debt	(5,464,930)	(324,046)
Proceeds on demand debt	7,777,383	-
Repayment of demand debt	(7,777,383)	-
Advances to related parties	(1,055,700)	(168,315)
Cash provided by (applied to) financing transactions	11,529,284	(492,361)
Increase (decrease) in cash	5,809,901	(2,587,069)
Cash, beginning of year	1,453,376	4,040,445
Cash, end of year	$ 7,263,277	$ 1,453,376

1. Nature of operations

Canmore Community Housing Corporation (the "organization") was incorporated on April 11, 2000 as a non-profit entity solely owned by the Town of Canmore and as such is not a taxable entity under the provisions of the Income Tax Act.

The purpose of the organization is to help the Town of Canmore maintain a healthy and balanced community over the long term by providing a mix of rental and ownership housing that is appropriate to the needs of the community and to enhance quality of life by facilitating the development of a perpetual stock of suitable housing for residents whose housing needs are not being met through other means.

Rental housing is provided in the form of apartment-style units as well as homes held in inventory awaiting resale under the Vital Homes initiative.

Vital Homes, for ownership purposes, is achieved by retaining title to housing units, while assigning the land and the building to qualifying homeowners by way of a 40 to 50 year initial lease term at below market purchase prices with two optional renewal terms of 25 years each.

2. **Significant accounting policies**

The financial statements are prepared in accordance with Canadian public sector accounting standards. The significant policies are detailed as follows:

(a) Revenue recognition
The organization follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

Rental income is recognized in the financial statements as revenue in the period in which the income is earned. Security deposits are not recognized as revenue, but rather are held in trust until returned to the tenant or used to offset damages caused, at which time they would be recognized into revenue.

(b) Cash
The organization includes cash held by financial institutions in operating accounts in the determination of cash.

2. Significant accounting policies, continued

(c) Use of estimates
The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Areas subject to measurement uncertainty are amortization of tangible capital assets and deferred revenue. Actual results could differ from those estimates.

(d) Non-financial assets
Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the Change in Net Financial Debt for the year.

(i) Tangible capital assets
Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital assets is amortized over the estimated useful life as follows:

	Years
Land improvements	5 straight line
Buildings	4% declining balance
Furniture and office equipment	5 straight line
Leasehold Improvements	8 straight line
Computer Hardware	50% declining balance

One-half of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets
Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

(e) Investment in future housing developments
Investment in future housing developments includes costs incurred to develop future residential housing units to assist the organization in meeting its objectives.

3. Trade and other receivables

	2025	2024
Town of Canmore (note 7)	$ 2,054,776	$ -
Trade receivables	120,564	15,043
Due from Matching Down Deposit Program	144,053	167,053
Wolf Willow Condo Corporation	114,147	149,147
Interest receivable	29,324	5,564
GST receivable	-	297,209
Allowance for doubtful accounts	(14,704)	(14,704)
	$ 2,448,160	$ 619,312

The amount from Wolf Willow Condo Corporation (formerly known as Mountain Haven Cooperative Homes) was disbursed upon the completion of the condominium conversion March 31, 2020. The balance will be repaid with minimum annual payments of $16,884 per year until the balance is paid off no later than September 30, 2031. The amount due is non-interest bearing.

The Matching Down Deposit Program is a pilot program for Vital Homes owners to assist in acquiring a property within the Town of Canmore by matching the approved applicants deposit on the purchase of their home. This amount is repayable over a five year term, with the option of being extended for a second five year term, at 1% interest per annum.

4. Investment in future housing developments

	2025	2024 (restated)
Ptarmigan Pointe	$ 647,277	$ 3,996,643

Ptarmigan Pointe (formerly known as Stewart Creek Rise) is an ownership development project consisting of 18 units held for resale. 17 units have been sold as of year end.

Palliser Lane Rental Housing project is a purpose-built rental development that the organization intends to own and operate in perpetuity. This project is included in the organization's tangible capital assets with the current year construction costs recorded to construction in progress.

5. Deferred revenue

	2025	2024
Conversion contribution	$ 12,736	$ 12,736

In the 2018 year, the organization received $250,000 from the Town of Canmore to assist in converting the Mountain Haven Cooperative Homes from a cooperative to a condominium corporation. Total costs to date are $237,264 with $0 spent in the current year. The remaining balance will be recognized as revenue when the related conversion costs are incurred.

6. Long-term debt

	2025	2024
Town of Canmore - Palliser Lane loan	$ 9,549,914	$ -
Servus Credit Union	8,500,000	-
Town of Canmore - Hector debenture	2,783,053	3,164,398
Bank of Montreal (paid out)	-	5,083,585
	$ 20,832,967	$ 8,247,983
Current portion	$ 409,709	$ 588,892

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2026	$ 409,709	$ 506,061	$ 915,770
2027	429,590	486,181	915,771
2028	10,000,352	1,201,631	11,201,983
2029	472,301	443,470	915,771
2030	495,228	420,542	915,770
Thereafter	9,025,787	5,148,282	14,174,069
	$ 20,832,967	$ 8,206,167	$ 29,039,134

During the year, the Town of Canmore approved a loan up to $12,000,000 to be used for the construction of the Palliser Lane Rental Housing development. The total funds advanced as of year end is $9,549,914. The loan bears interest at a fixed rate of 2.57%. The loan is repayable in full, including principal and accrued interest, in a single lump sum payment on or before August 2028.

Town of Canmore debenture is repayable at $202,795 semi-annually including interest at 4.98%. The loan is due in June 2034.

The Servus Credit Union loan is repayable at $42,515 monthly including interest at 4.395%. The loan is due November 2060.

Security on the Servus Credit Union loan consists of first charge and security interest over all the present and after-acquired property confined to Plan 0814538 Block 5 Lot 7 (100 Palliser Lane), Plan 0914538 Block 5 Lot 5 (200 Palliser Lane), and Plan 0412844 Block 4 Lot 39 (100 Dygras Gate).

7. Due to related parties and related party transactions

Amounts due to related parties consists of:

		2025		2024
Town of Canmore - Palliser Lane advance	$	432,250	$	864,500
Town of Canmore - Resale Line of Credit		-		400,166
Town of Canmore - Mountain Haven Cooperative Homes		-		223,284
	$	432,250	$	1,487,950

Accounts receivable include amounts receivable from:

		2025		2024
Town of Canmore	$	2,054,776	$	-

Accounts payable include amounts payable from:

		2025		2024
Town of Canmore	$	116,514	$	373,988

The organization is funded primarily through contributions from the Town of Canmore. During the year, the organization was allocated $692,000 (2024 - $700,000) from the Town of Canmore.

The Town of Canmore has contributed $250,000 to the corporation to implement actions and activities required to transition Mountain Haven Cooperative Homes (MHCH) to a managed Vital Homes development. This amount is not repayable to the Town. The total costs to date are $237,264 with the remaining portion of $12,736 in deferred revenue until the related conversion costs are spent.

The Town of Canmore has established a repurchasing line of credit to the organization up to a maximum of $1,500,000 for the purchase of Vital Homes units. These loans are secured by the Vital Homes units until repaid to the Town of Canmore and do not bear interest. The loans are repayable to the Town of Canmore 14 days after the resale date of the unit. As at December 31, 2025, no amounts have been drawn on the line of credit (2024 - $400,166).

The Town of Canmore advanced $864,500 to be used as working capital for the Palliser Lane Rental Housing development. During the year, the organization repaid $432,250. The remaining balance will be paid at the substantial completion of the project. The advance is non-interest bearing.

During the year, the organization remitted payments of $2,054,776 to the Town of Canmore in excess of the amounts owing. The overpayment is recoverable from the Town of Canmore and has been recognized as a receivable at year end.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

8. Accumulated operating surplus

Accumulated operating surplus consists of internally restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2025	2024 (restated)
Unrestricted surplus	$ 3,818,333	$ 2,746,808
Internally restricted surplus (reserves) (note 10)	1,645,670	956,807
Equity in tangible capital assets (note 11)	8,659,349	9,647,441
	$ 14,123,352	$ 13,351,056

9. Contributions from Town of Canmore

	2025	2024
Annual contribution	$ 692,000	$ 700,000
In Kind rent	-	8,540
	$ 692,000	$ 708,540

10. Internally restricted surplus (reserves)

The organization has internally restricted the following funds for other than operational purposes:

	2025	2024
Capital reserve fund	$ 92,063	$ 92,063
McArthur Place building reserve fund	321,863	-
The Hector building reserve fund	718,487	248,487
Accessory dwelling grant reserve fund	80,500	83,500
Matching down deposit reserve fund	422,947	422,947
Special initiatives reserve fund	9,810	109,810
	$ 1,645,670	$ 956,807

The use of the capital reserve fund will be by decision of the board pursuant to the cash management policy. These funds may be used to:

a) Build or contract the building of community housing projects;
b) Purchase, service and/or maintain land held by the organization for community housing development;
c) Purchase, renovate,or maintain community housing units owned by the organization;
d) Use as seed capital for community housing projects and programs; and
e) Undertake other activities to create or maintain community housing.

As per the policy, all interest earned is paid out to the operating account.

The Hector and McArthur Place building reserve funds are restricted for the costs of major repairs and or replacement of building components for the Hector and McArthur Place rental properties.

The accessory dwelling grant reserve fund is to assist market homeowners, whose land use areas allows for accessory dwellings to be constructed, to have access to grant funding to complete the same and thereby increase the supply of safe rental housing availability.

The matching down deposit reserve fund is to assist Vital Homes homeowners and those on the Vital Homes homeowners waiting list to acquire market or Vital Homes property under a homeownership tenure in Canmore.

The special initiatives reserve fund is for the purpose of maintaining rental stability, creating a Palliser lands master plan, and a housing action plan.

11. Equity in tangible capital assets

	2025	2024 (restated)
Tangible capital assets (schedule 1)	$ 33,249,286	$ 23,100,295
Accumulated amortization (schedule 1)	(5,592,067)	(5,204,871)
Long-term debt (note 6)	(20,832,967)	(8,247,983)
Unspent proceeds on long-term debt	1,835,097	-
	$ 8,659,349	$ 9,647,441

12. Economic dependence

The organization is economically dependent on the Town of Canmore for its continued existence as the Town of Canmore provides the organization with a substantial portion of its revenue.

13. Budget amounts

The 2025 budget was approved by the Board of Directors and has been reported in the financial statements for information purposes only. The budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

In addition, the approved budget did not contain an amount for amortization expense. In order to enhance comparability, the actual amortization expense has been included as a budget amount.

Budgeted surplus per financial statements		$ 726,668
Less:	Long-term debt repayments	(555,786)
	Transfers to reserves	(583,414)
Add:	Amortization	388,176
Equals: approved budget		$ (24,356)

14. Commitments and contingencies

a) Land held by the organization (Palliser Lot 7) suffered flood damage in June, 2013 and its value is currently in question. Presently, the land is valued at $1,768,000. Based on the available information, it is reasonably possible that an impairment in value has occurred. Management is currently in the process of determining how much, if any, impairment has occurred. It is not possible at this time to estimate the dollar value of potential impairment.

b) The organization has approved the Palliser Lane Rental Housing development for an estimated cost of $69,389,427. The construction for the housing development project began in 2024 and $11,286,720 has been spent as of year end. The housing development project is expected to be completed in 2027. The organization has secured financing from multiple sources for the development in the amount of $69,389,427.

15. Lease commitment

The organization has entered into a 10 year operating lease for office space. The lease expires February 28, 2035. The minimum lease payments including estimated operating costs over the next 5 years are as follows:

2026	$ 118,935
2027	121,657
2028	122,202
2029	122,202
2030	122,202
	$ 607,198

16. Financial instruments

The organization's financial instruments consist of cash and cash equivalents, trade and other receivables, amounts due from related parties, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the organization is not exposed to significant interest or currency risks arising from these financial instruments.

The carrying value of these financial instruments approximates their fair value.

17. Prior period adjustment

The prior year figures have been adjusted to account for holdback payables along with reallocate land to tangible capital assets that are associated with the Ptarmigan Pointe development. The effects of these adjustments are as follows:
- an increase in accounts payable of $275,853 as of December 31, 2024
- an increase in tangible capital assets of $1,044,850 as of December 31, 2024
- a decrease in investment in future housing developments of $768,997 as of December 31, 2024
- an increase in equity in tangible capital assets of $1,044,850 as of December 31, 2024
- a decrease of unrestricted accumulated surplus of $1,044,850 as of December 31, 2024

Schedule of tangible capital assets **Schedule 1**

	Land	Land improvements	Buildings	Furniture and office equipment	Leasehold Improvements	Computer Hardware	Construction in progress	2025	2024 (restated)
Cost:									
Balance, beginning of year	$ 7,444,831	$ 570,045	$ 13,894,650	$ 11,883	$ -	$ 25,495	$ 1,153,391	$ 23,100,295	$ 21,977,957
Acquisitions	-	-	-	-	15,662	-	10,133,329	10,148,991	1,133,069
Disposals	-	-	-	-	-	-	-	-	(10,731)
Balance, end of year	7,444,831	570,045	13,894,650	11,883	15,662	25,495	11,286,720	33,249,286	23,100,295
Accumulated amortization:									
Balance, beginning of year	-	509,862	4,661,672	10,844	-	22,493	-	5,204,871	4,812,498
Annual amortization	-	15,046	369,319	346	979	1,506	-	387,196	403,104
Disposals	-	-	-	-	-	-	-	-	(10,731)
Balance, end of year	-	524,908	5,030,991	11,190	979	23,999	-	5,592,067	5,204,871
Net book value	$ 7,444,831	$ 45,137	$ 8,863,659	$ 693	$ 14,683	$ 1,496	$ 11,286,720	$ 27,657,219	$ 17,895,424
2024 net book value	$ 7,444,831	$ 60,183	$ 9,232,978	$ 1,039	$ -	$ 3,002	$ 1,153,391	$ 17,895,424	

Schedule of changes in accumulated surplus **Schedule 2**

	Unrestricted	Internally restricted	Equity in tangible capital assets	2025	2024
Balance, beginning of year					
As previously stated	$ 3,791,658	$ 956,807	$ 8,602,591	$ 13,351,056	$ 13,155,639
Prior period adjustment (note 17)	(1,044,850)	-	1,044,850	-	-
As restated	2,746,808	956,807	9,647,441	13,351,056	13,155,639
Excess of revenue over expenses	772,296	-	-	772,296	195,417
Unrestricted funds designated for future use	(791,863)	791,863	-	-	-
Restricted funds used for operations	103,000	(103,000)	-	-	-
Current year funds used for tangible capital assets	(10,148,991)	-	10,148,991	-	-
Annual amortization expense	387,196	-	(387,196)	-	-
Long-term debt repaid	(5,464,930)	-	5,464,930	-	-
Proceeds on long term debt	18,049,914	-	(18,049,914)	-	-
Unspent proceeds on long term debt	(1,835,097)	-	1,835,097	-	-
Change in accumulated surplus	1,071,525	688,863	(988,092)	772,296	195,417
Balance, end of year	$ 3,818,333	$ 1,645,670	$ 8,659,349	$ 14,123,352	$ 13,351,056

CANMORE COMMUNITY HOUSING CORPORATION
100, 729 10 Street
Canmore, AB T1W 2A3

Avail LLP
100, 530 - 8 Street South
Lethbridge, AB T1J 2J8

Ladies and Gentlemen:

This representation letter is provided in connection with your audit of the financial statements of Canmore Community Housing Corporation for the year ended December 31, 2025 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

1. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated December 31, 2025 for:

a) Preparing and fairly presenting the financial statements in accordance with Canadian public sector accounting standards;
b) Providing you with:
    i) Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:
        A. Accounting records, supporting data and other relevant documentation,
        B. Minutes of meetings (such as shareholders, board of directors and audit committees),
        C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
    ii) Additional information that you have requested from us for the purpose of the audit; and
    iii) Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
c) Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
d) Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

2. Fraud and Non-Compliance

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

We have disclosed to you the results of management's assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you:

a) All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:
   i) Management;
   ii) Employees who have significant roles in internal control; or
   iii) Others where the fraud could have a material effect on the financial statements;
b) All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
c) All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;
d) All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and
e) The results of our risk assessments regarding possible fraud or error in the financial statements.

3. Related Parties

We have disclosed to you the identity of all of the entity’s related-party relationships and transactions of which we are aware. All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

4. Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the methods, significant assumptions and the data used by us in making accounting estimates and related financial statement disclosures, including those measured at fair value, are appropriate to achieve recognition, measurement or disclosure that is in accordance with Canadian public sector accounting standards.

5. Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

6. Going Concern

We confirm that the use of the going-concern basis of accounting in preparing the financial statements remains appropriate.

7. Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

8. Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

9. Misstatements

The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter.

10. Other Representations

Accounting Policies	All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.
Future Plans	We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements
Contractual compliance	We have complied with the terms and conditions of all contractual agreements that could have a material effect, in the event of non-compliance, on the financial statements.
Fair values	We confirm that the significant assumptions, methods and data used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
Inventories	The inventories recorded were the property of our entity and were determined by actual count, weight or measurement. They do not include any items billed to customers but not shipped, any items returned by customers for which credits have not been recorded, any items on consignment, or other arrangements either owned by us or by our suppliers. Inventories were measured on the same basis and were determined in the same manner as inventories at the end of the preceding period.
Material measurement uncertainties	The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
Capital assets	Capital assets are recorded at cost. We have good and valid title to all capital assets reflected in the accounts relating thereto, and there are no liens or encumbrances on our assets. No material amounts relating to additions or improvements of capital assets were charged to expense during the year. The provision for amortization is based on the cost and expected economic useful lives of the property.
Receivables	The accounts receivable reflected in the accounts constitute valid claims against customers or other debtors. Receivables known to be uncollectible have been written off, and adequate provision has been made for anticipated adjustments or losses in connection with the collection of receivables.
Regulatory compliance	We are up to date with all corporate filings and annual returns. This includes all Canada Revenue Agency and HST/GST/PST returns.
Revenue recognition	We have recorded all revenue that met the following criteria: a) Persuasive evidence of an arrangement exists; b) Delivery has occurred, or services have been rendered; c) Price is fixed or determinable; and d) Collectability is reasonably assured.

Compliance with funding and grant agreements	We have disclosed to you all known instances of non-compliance or suspected non-compliance with our funding and grant agreements.

Yours truly,

Canmore Community Housing Corporation

Per: Jeffry Chaves Title: Finance and Corporate Services Manager Date: April 9, 2026

Per: Therese Rogers Title: Interim Executive Director Date: April 9, 2026

Canmore Community Housing Corporation
Unadjusted Financial Statement Misstatements
For the year ended December 31, 2025

	Proposed Adjustments Dr (Cr)				
			Balance Sheet		
Unadjusted Financial Statement Misstatements	Opening Equity	Income Statement	Assets	Liabilities	Closing Equity
Subtotal	-	-	-	-	-
Income taxes	-	-	-	-	-
Total	$ -	$ -	$ -	$ -	$ -

Per: Therese Rogers Title: Interim Executive Director Date: April 9, 2026

Canmore Community Housing Corporation
100, 729 10 Street
Canmore, AB T1W 2A3

Avail LLP
100, 530 - 8 Street South
Lethbridge, AB T1J 2J8

Ladies and Gentlemen:

I, being the manager of Canmore Community Housing Corporation, have reviewed the adjusting journal entries and reclassification entries prepared by Avail LLP for the year ended December 31, 2025 and I approve the entries prepared and accept responsibility for them.

Yours truly,

Canmore Community Housing Corporation

Per: Therese Rogers Title: Interim Executive Director Date: April 9, 2026

Canmore Community Housing Corporation

Year End: December 31, 2025
Adjusting journal entries
Date: 1/1/2025 To 12/31/2025

Number	Date	Name	Account No	Debit	Credit
AVL1	12/31/2025	Unrestricted Net Assets	3805		3,000.00
AVL1	12/31/2025	Hector - Interest Expense	5664		7,620.30
AVL1	12/31/2025	*Retained Earnings	32000	7,620.30	
AVL1	12/31/2025	*Retained Earnings	32000	506.46	
AVL1	12/31/2025	*Retained Earnings	32000	226.54	
AVL1	12/31/2025	Office Services:Other	5500A	2,267.00	
		To reconcile opening net assets.			
AVL2	12/31/2025	Unrestricted Net Assets	3805		988,091.90
AVL2	12/31/2025	Invested in Capital Assets	3810	988,091.90	
		To adjust equity invested in capital to actual.			
AVL3	12/31/2025	Computer Hardware	1790		351.75
AVL3	12/31/2025	Office Supplies:Computer Equipment	5510A	351.75	
		To expense Dell laptop that is below capitalization threshold.			
AVL4	12/31/2025	Palliser Lane Rental Housing	1863	84,724.74	
AVL4	12/31/2025	Accrued Liabilities	2020		84,724.74
		To record accrued interest on Palliser Lane Loan from Town of Canmore.			
AVL5	12/31/2025	Housing Inventory for Resale	1550		30,507.03
AVL5	12/31/2025	Cost of Goods Sold	5050	30,507.03	
		To allocate portion of MHCH acquisition and conversion costs to Wolf Willow units sold in the current year.			
AVL6	12/31/2025	Stewart Creek Rise	1855	1,261,073.19	
AVL6	12/31/2025	Cost of Goods Sold	5050		1,261,073.19
		To adjust investment in future housing balance to agree to cost of remaining unsold unit.			
AVL7	12/31/2025	Accum Depr - Leasehold Imps	1781	2,153.00	
AVL7	12/31/2025	Accum Depr - Computer Hardware	1791		1,330.97
AVL7	12/31/2025	Amortization	5415		822.03
		To adjust amortization expense to actual.			

Prepared by	Reviewed by

Canmore Community Housing Corporation
Year End: December 31, 2025
Adjusting journal entries
Date: 1/1/2025 To 12/31/2025

Number	Date	Name	Account No	Debit	Credit
AVL8	12/31/2025	Stewart Creek Rise	1855		263,137.83
AVL8	12/31/2025	Accounts Payable	2010		288,539.50
AVL8	12/31/2025	Accounts Payable	2010	263,137.83	
AVL8	12/31/2025	Cost of Goods Sold	5050	288,539.50	
		To adjust off-site levies payable to Town of Canmore to actual at year end.			
AVL9	12/31/2025	Other Income	4300	13,897.03	
AVL9	12/31/2025	Property Sales	4400		13,897.03
		To reallocate condo fees received on sale of Stewart Creek units and forfeited damage deposits to property sales.			
AVL10	12/31/2025	Other Income	4300	6,832.60	
AVL10	12/31/2025	Rental Revenue: Ptarmigan Pointe	4600E		6,832.60
		To reallocate Stewart Creek/Ptarmigan Pointe December condo fees received.			
AVL11	12/31/2025	Palliser Lane Rental Housing	1863	42,515.00	
AVL11	12/31/2025	Accrued Liabilities	2020		42,515.00
		To accrue December Servus Credit Union interest.			
AVL12	12/31/2025	Palliser Lane Rental Housing	1863	833,876.25	
AVL12	12/31/2025	Accounts Payable	2010		833,876.25
		To record holdbacks payable.			
AVL13	12/31/2025	Land	1795	1,044,850.00	
AVL13	12/31/2025	Stewart Creek Rise	1855		1,044,850.00
AVL13	12/31/2025	Unrestricted Net Assets	3805	1,044,850.00	
AVL13	12/31/2025	Invested in Capital Assets	3810		1,044,850.00
		To record current year impact of prior period adjustment.			
AVL14	12/31/2025	Accrued Liabilities	2020		40,000.00
AVL14	12/31/2025	Salaries & Benefits:Salaries & Wages	5570A	40,000.00	
		To accrue for Executive Director's severance pay. * To reverse January 1, 2026.			
CLIENT1	12/31/2025	Accounts Receivable	1200	26,825.61	

Prepared by	Reviewed by

Canmore Community Housing Corporation

Year End: December 31, 2025
Adjusting journal entries
Date: 1/1/2025 To 12/31/2025

Number	Date	Name	Account No	Debit	Credit
CLIENT1	12/31/2025	Leasehold Improvements	1780		26,825.61
CLIENT1	12/31/2025	Accum Depr - Leasehold Imps	1781	5,366.00	
CLIENT1	12/31/2025	Accounts Payable	2010	288,539.50	
CLIENT1	12/31/2025	Cost of Goods Sold	5050		288,539.50
CLIENT1	12/31/2025	Amortization	5415		5,366.00
		To record changes to the trial balance.			
				6,276,751.23	**6,276,751.23**

Net Income (Loss) **772,296.33**

Prepared by	Reviewed by

4/10/202
8:01 AM

AJE-2

Canmore Community Housing Corporation

Year End: December 31, 2025
Reclassifying journal entries
Date: 1/1/2025 To 12/31/2025

Number	Date	Name	Account No	Debit	Credit
R1	12/31/2025	Unrestricted Net Assets	3805		688,863.34
R1	12/31/2025	Transfer to Restricted for Housing Development	R3820	791,863.34	
R1	12/31/2025	Transfer From Reserves - Accessory Dwelling	R3821		3,000.00
R1	12/31/2025	Transfer to Special Initiatives Reserve	R3823		100,000.00
		To reclassify reserve transfers.			
R2	12/31/2025	Professional Services	5540		10,600.00
R2	12/31/2025	Professional Services:Audit	5540B	10,600.00	
		To reclassify accounting fees.			
R3	12/31/2025	Accrued Liabilities	2020	6,075.44	
R3	12/31/2025	Accured Interest (Hector Debenture)	R2020		6,075.44
		To reclassify accrued interest on Hector debenture.			
R4	12/31/2025	Accrued Liabilities	2020	84,724.74	
R4	12/31/2025	Accrued interest (TOC Palliser Loan)	R2623		84,724.74
		To reclassify accrued interest on Town of Canmore Palliser Village Loan.			
R5	12/31/2025	GST/HST Payable	2400	81,314.39	
R5	12/31/2025	GST Payable	R2400		81,314.39
		To reclassify GST payable for presentation purposes.			
R6	12/31/2025	Bad Debt Expense	5417		6.43
R6	12/31/2025	Bank Charges	5420	6.43	
		To reclassify utility late fees for presentation purpose.			
R7	12/31/2025	Accrued Liabilities	2020	42,515.00	
R7	12/31/2025	Accrued interest (Servus Palliser Loan)	R2634		42,515.00
		To reclassify accrued interest on Servus Palliser Village Loan.			
R8	12/31/2025	Prior Period Adjustment	3801	1,044,850.00	
R8	12/31/2025	Unrestricted Net Assets	3805		1,044,850.00
		To reclassify prior period for			

Prepared by	Reviewed by

Canmore Community Housing Corporation

Year End: December 31, 2025
Reclassifying journal entries
Date: 1/1/2025 To 12/31/2025

Number	Date	Name	Account No	Debit	Credit
		financial statement presentation purposes.			
				2,061,949.34	**2,061,949.34**

Net Income (Loss) **772,296.33**

Prepared by	Reviewed by

Canada Revenue Agency / Agence du revenu du Canada

Non-Profit Organization (NPO) Information Return

- This return is for:
  - non-profit organizations (NPOs) described in paragraph 149(1)(l) of the Income Tax Act
  - organizations described in paragraph 149(1)(e) of the Act (agricultural organizations, boards of trade or chambers of commerce)
- An organization has to file this return if one of the following applies:
  - it received or is entitled to receive taxable dividends, interest, rentals or royalties totalling more than $10,000 in the fiscal period
  - it owned assets valued at more than $200,000 at the end of the immediately preceding fiscal period
  - it had to file an NPO information return for a previous fiscal period
- To determine if the organization you represent has to complete this return, see T4117, Income Tax Guide to the Non-Profit Organization (NPO) Information Return
- Mail your completed return to:
  Jonquière Tax Centre, T1044 Program, PO Box 1300 LCD Jonquière, Jonquière QC G7S 0L5

Do not use this area

Part 1 – Identification

Fiscal period (Year Month Day) From 2025-01-01 to 2025-12-31	Business number, if any: 86447 5090 RC0001
Name of organization: Canmore Community Housing Corporation	Trust number, T3, if any.
Mailing address: 100-729 10 Street	Is this the final return to be filed by this organization? If yes, attach an explanation. Yes ☐ No ☐
City: Canmore / Province: AB	Postal code: T1W 2A3 / Type of organization (see guide T4117):
Name and title of person to contact: Therese Rogers, Interim Executive Director	Telephone number: (403) 609-9983

Part 2 – Amounts received during the fiscal period

Membership dues, fees, and assessments	100		
Federal, provincial, and municipal grants and payments	101	692,000	
Interest, taxable dividends, rentals, and royalties	102	165,825	
Proceeds of disposition of capital property	103		
Gross sales and revenues from organizational activities	104	48,168	
Gifts	105		
Other receipts (specify) rental, housing resa	106	12,804,333	
Total receipts (**add** lines 100 to 106)	107	13,710,326 ▶	13,710,326

Part 3 – Statement of assets and liabilities at the end of the fiscal period

Assets

Method used to record assets			
Cash and short-term investments	108	7,263,277	
Amounts receivable from members	109		
Amounts receivable from all others (not included on line 109)	110	2,448,160	
Prepaid expenses	111	186,619	
Inventory	112		
Long-term investments	113		
Fixed assets	114	27,657,218	
Other assets (specify) development, trust	115	781,475	
Total assets (**add** lines 108 to 115)	116	38,336,749 ▶	38,336,749

Liabilities

Amounts owing to members	117		
Amounts owing to all others (specify) AP, loans, deferred	118	24,173,398	
Total liabilities (**add** lines 117 and 118)	119	24,173,398 ▶	24,173,398

Part 4 – Remuneration

Total remuneration and benefits paid to all employees and officers	120	648,009
Total remuneration and benefits paid to employees and officers who are members	121	0
Other payments to members (specify)	122	0
Number of members in the organization		0
Number of members who received remuneration or other amounts		0

Part 5 – The organization's activities

Briefly describe the activities of the organization. If this is the organization's first year filing this return, attach a copy of the organization's Mission Statement.

The purpose of the organization is to help the Town of Canmore maintain a healthy and balanced community over the long term by providing a mix of rental and ownership housing that is appropriate to the needs to the community and to enhance quality of life by facility the development of perpetual stock of suitable housing for residents whose housing need are not being met through other means.

Are any of the organization's activities carried on outside of Canada? Yes ☐ No ☒

If yes, indicate where:

Part 6 – Location of books and records

Leave this area blank if the information is the same as in Part 1.

Name of person to contact

Mailing address

City	Province	Postal code	Telephone number

Part 7 – Certification

I certify that the information given on this return and in any attached documents is correct and complete.

Therese Rogers
Name of authorized officer

Interim Executive Director
Position

Therese Rogers
Authorized officer's signature

2026-04-10
Date (YYYY/MM/DD

Language of correspondence
Indicate the language of your choice

Langue de correspondance
Indiquer la langue de votre choix

English ☒ Français ☐

Privacy notice

Canada Revenue Agency / Agence du revenu du Canada

Information Return for Corporations Filing Electronically

- **Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.**
- Fill out this return for every initial and amended *T2 Corporation Income Tax Return* electronically filed with the CRA on your behalf.
- By filling out Part 2 and signing Part 3, you acknowledge that, under the federal Income Tax Act, you have to keep all records used to prepare your T2 return and provide this information to us on request.
- Part 4 must be filled out by either you or the electronic transmitter of your T2 return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted your return.

Part 1 – Identification

Corporation's name	Business number
Canmore Community Housing Corporation	86447 5090 RC0001

Tax year start (Year Month Day): 2025-01-01
Tax year-end (Year Month Day): 2025-12-31
Is this an amended return? ☐ Yes ☒ No

Email address: ____________________

Most notices and other correspondence are delivered electronically to My Business Account by default, except when a corporation has changed its delivery preference to receive paper mail. By providing an email address, you are **registering** the corporation to receive email notifications from the CRA. The CRA will notify the corporation at the email address provided when new correspondence is available in My Business Account and may require immediate attention. For more information, see **canada.ca/cra-business-email-notifications**.

Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted in Part 1:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	1,160,650
Part I tax payable (line 700)	
Part II.2 tax payable (line 705)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	
Total tax payable (line 770)	

Part 3 – Certification and authorization

I, Rogers (Last name) Therese (First name) Interim Executive Director (Position, office, or title),

am an authorized signing officer of the corporation. I certify that I have examined the *T2 Corporation Income Tax Return*, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part 4 to electronically file the *T2 Corporation Income Tax Return* identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

Therese Rogers

Signature of an authorized signing officer of the corporation

(403) 609-9983

Telephone number

Year Month Day

HH MM SS

The CRA will accept an electronic signature if it is applied in accordance with the guidance specified by the CRA.

Part 4 – Transmitter identification

The following transmitter has electronically filed the T2 return of the corporation identified in Part 1.

Name of person or firm	Electronic filer number
Avail LLP	D1444

Privacy notice

Personal information is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, and to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Info Source at **canada.ca/cra-info-source**.