

Annual Report

2024-2025

Ulukhaktok, NWT



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Message from the Minister

Lucy Kuptana

Minister Responsible for Housing NWT

As Minister Responsible for Housing NWT, I am proud to share Housing NWT's 2024-25 Annual Report. This report reflects on the progress made, which could only be achieved through innovative thinking and strong collaboration with our partners. While the Northwest Territories continues to face complex housing challenges, we are also finding opportunities to work together and build on both our existing and newfound partnerships. Housing NWT collaborates regularly with the Indigenous, federal and municipal governments and community groups to advance our shared housing goals. We recognize that housing needs in the North are diverse and multifaceted, and that only through strong partnerships can we begin to address these challenges effectively.

In 2024-25, Housing NWT made significant progress under *A Strategy for Renewal of the NWT Housing Corporation*, showing our commitment to continuous improvement. Out of the 42 mandated actions, 30 were completed by Spring 2025. Some of the key accomplishments included the development of a new Asset Management Program and Environmental Management Program, the release of a plain-language Tenant Handbook in English, French and Tłıchǵ, and the development of Housing NWT's Energy Management Strategy.

The NWT Housing Forum held a two-day in-person Symposium in January, with more than 85 delegates from governments, community groups, and non-government organizations. I was pleased to attend and connect with leaders in housing from across the NWT. The Symposium offered a space for meaningful conversation, sharing of best practices and innovative ideas and projects to address the growing need for affordable, energy-efficient housing across the Northwest Territories.

In addition to the NWT Housing Forum, since 2022, Housing NWT has signed Memoranda of Understanding (MOUs) with the Tłıchǵ Government, Sahtu Secretariat Inc., Déline Got'ine Government, and Gwich'in Tribal Council to formalize a relationship on housing and recognize the growing role Indigenous governments must play in the housing sphere.

These agreements continue to strengthen coordination, support community-led housing initiatives, and ensure that programs reflect the needs and priorities of Indigenous residents. They also support Articles 21 and 23 of the UN Declaration on the Rights of Indigenous Peoples.

For the first time in the Territory, residents now have access to safe transitional housing after returning from out of territory treatment services. The Transitional Housing Post Addiction Recovery Program was opened in Yellowknife to provide structured support for northerners recovering from addictions. Housing NWT and the Department of Health and Social Services collaborated with a community partner, the Salvation Army, to develop a housing model where residents can build sober relationships, work towards education and employment goals and transition to safe housing. Additional projects are planned in other NWT communities in the near future.

I cannot emphasize enough that Housing NWT cannot solve the Northwest Territories' housing crisis on its own – it is through our partnerships with Indigenous, federal, territorial, municipal and community governments, working closely with Local Housing Organizations, that we move closer to meeting the housing needs of our residents. Through the efforts of these collaborations, I look forward to seeing more safe and affordable housing available to our Northern residents.

Quyanainni,

A handwritten signature in black ink, appearing to be 'Lucy Kuptana', written in a cursive style.

Honourable Lucy Kuptana
Minister Responsible for
Housing Northwest Territories



Message from the President

Erin Kelly

President & CEO of Housing NWT

This year brought many significant achievements, including the delivery of much-needed housing units, the launch of innovative energy initiatives and the preservation of our existing housing stock through ongoing repairs and preventative maintenance.

Thanks to the efforts of Housing NWT staff and its contractors, more than 80 housing units were constructed across the territory by the end of the 2024-25 fiscal year. In addition, Housing NWT completed the purchase and renovation of a 5-bedroom home for the Transitional Housing Post Addiction Recovery Program in Yellowknife and finalized major repairs to more than 110 units located throughout the territory.

In 2024-25, Housing NWT launched a series of energy initiatives aimed at reducing greenhouse gas emissions and stabilizing energy costs in response to climate change. Advanced projects included converting 14 units in Fort Providence and the completion of a 20-unit biomass district heating system in Fort Simpson. Housing NWT also completed construction on a duplex in Fort Smith, which will operate on an electric boiler, producing zero GHG emissions for space heat.

I'd also like to highlight our 53-unit district heating system at Sissons Court in Yellowknife, which was recently recognized by the Canadian Biomass Magazine as the community project of the year for 2024-25, demonstrating a pathway to lower emissions and operating costs in a northern context.

While new housing and energy initiatives are exciting steps forward, Housing NWT also recognizes the importance of preserving our housing stock through regular maintenance and repair investments, which is why in 2024-25, we invested \$3 million in incremental funding from the Government of the Northwest Territories to complete priority preventative maintenance work, security upgrades for our public housing units and to advance work to protect two public housing duplexes being affected by permafrost slumping in Tuktoyaktuk.

I would like to acknowledge Housing NWT and Local Housing Organization staff for their dedication to making housing safer, sustainable and more affordable. Your hard work and commitment are the driving force behind every home we deliver, every repair we make, and every initiative we bring to life. I would also like to recognize all of the federal funding contributions that have been instrumental in supporting our initiatives. As we look ahead to 2025-26, we remain committed to ensuring our work reflects the values and needs of Northern residents.

Sincerely,



Erin Kelly, Ph.D.
President & CEO
Housing Northwest Territories

Introduction

Housing Northwest Territories (Housing NWT) is required to publish an Annual Report which includes information on milestones from the past year, funding, revenues, expenses, an independent audit report of the Auditor General and consolidated financial statements. This Annual Report will be tabled at the Legislative Assembly by the Minister Responsible for Housing NWT.



Yellowknife, NWT

This report outlines the priorities of Housing NWT and its alignment with the 20th Legislative Assembly mandate commitments. The report also highlights the achievements of Housing NWT throughout the 2024-2025 fiscal year.

The Government of the Northwest Territories Open Government Policy states that “the Government of the Northwest Territories is committed to transparency and accountability through public access to government data (Open Data) and information (Open Information), and public engagement on government decision-making (Open Dialogue) in a way that is responsive to the needs and expectations of the residents of the Northwest Territories.” This Annual Report fulfills the commitment under the Open Government Policy 11.54 to increase government transparency and accountability by proactively making government information available to the public (subject to identified restrictions), while maintaining the government’s responsibility towards privacy, security and legal obligations.

Driving Factors

Housing NWT priorities and actions are guided and driven by the mandate commitments and priorities of the Legislative Assembly and Housing NWT’s mandate.

20th Legislative Assembly Mandate

Over the past year, Housing NWT was guided by the priorities of the 20th Legislative Assembly.

The priorities help to guide and focus the work of the government and to deliver on key areas over the term of the government.

The top priorities are:

- The suitability, accessibility, and affordability of housing;
- A strong economic foundation;
- Access to health care and addressing the effects of trauma; and
- Safe residents and communities.

The members of the Legislative Assembly want a Northwest Territories that prioritizes reconciliation and the well-being and prosperity of residents. They will achieve this through good governance and collaboration with Indigenous governments, all communities, and the public.



Yellowknife, NWT

Housing NWT Mandate

Mission

Increasing the well-being of individuals and communities by providing fair access to quality housing support for people most in need.

Vision

We are a respected partner in providing effective housing support for people most in need.

Values

Client-Focused

- We are fair, respectful, and compassionate.
- We recognize that everyone has a unique lived experience that may include past trauma.
- We communicate clearly and often.

Collaboration

- We look for and accept opportunities to collaborate.
- We recognize that greater success comes from working together.
- We take steps to build and maintain partnerships.

Accountability

- We are accountable to our clients, to our employees, to our partners and to the public for our conduct and our use of public resources.
- We are transparent.
- We look for accountability in others.

Innovation

- We strive to continue to improve.
- We are creative, adaptable, and flexible.
- We measure our effectiveness.

Reconciliation

- We acknowledge the Indigenous inherent right of self-government.
- We engage with Indigenous governments on a government-to-government basis.
- We educate ourselves about the NWT's history of colonization.
- We strive for cultural appropriateness in our work.

Sustainability

- We look for environmental and fiscal sustainability in all aspects of our work.

Corporate Structure

Corporate Summary

Housing NWT offers many programs and services across housing types that support renters and homeowners in city centres, rural areas, and remote communities. Our policies and programs are developed to address the core housing needs of NWT residents and promote self-reliance while reflecting the unique housing challenges of each community. Across the territory, we use energy-efficient technologies when designing new housing or retrofitting existing housing to improve sustainability. We also partner with the Canada Mortgage and Housing Corporation (CMHC) to share the cost of housing infrastructure development and improvement. At the community level, we work with Local Housing Organizations (LHO) and Indigenous governments and municipal governments to manage and provide housing services in all 33 communities.

What are core housing needs? Core housing need refers to a household that does not meet one or more of the following standards: affordability (cost of living), adequacy (home condition), or suitability (overcrowding). Additionally, the household must have a total income below the Core Need Income Threshold (available online for each NWT community).



Affordable Housing

A household that spends less than 30% (about one-third) of its total income on housing costs, including utilities, rent or mortgage payments, insurance, and taxes.



Adequate Housing

A household with running water, an indoor toilet, bathing and washing facilities, and one that does not require major repairs.



Suitable Housing

A household with enough bedrooms for its occupants, based on the National Occupancy Standards.

Branches

The Executive

Our Executive branch manages the implementation of the GNWT direction related to housing. It is made up of the President's Office and the Policy and Planning Division.

The President's Office

The Minister Responsible for Housing NWT is supported by the President's Office. It provides overall strategic and operational direction, leads the senior management team, and manages the human and financial resources of Housing NWT.

Policy and Planning Division

The Policy and Planning Division supports our long-term strategic direction and planning. It is responsible for strategic and business planning, policy development, research, and corporate communications. The division also represents Housing NWT at the federal, provincial, and territorial levels, as well as on interdepartmental working groups and other committees.

Homelessness Division

The Homelessness Division leads the coordination and delivery of programs, strategies, and partnerships aimed at preventing and reducing homelessness across the Northwest Territories. Working closely with communities, non-profit organizations, and other government departments, the division ensures that supports are responsive, culturally appropriate, and aligned with broader housing goals.

Finance and Infrastructure Services

Our Finance and Infrastructure Services branch includes the Finance and Administration Division, Financial Planning Section, Infrastructures Services Division, and Occupational Health and Safety Section.

Finance and Administration Division

The overall financial affairs of Housing NWT are the responsibility of the Finance and Administration Division. This includes accounting and advisory services, reporting and monitoring, treasury services, mortgage administration, and managing own source revenues and federal funding.

Financial Planning Section

The Financial Planning Section develops our infrastructure, revenues, and operations budgets, including our annual business plan and main estimates, as well as ongoing variance analysis and reporting.

Infrastructure Services Division

The Infrastructure Services Division is responsible for planning, designing, and coordinating Housing NWT's capital infrastructure projects. It advises on and supports our homeownership project delivery, secures suitable land for our housing programs and services, and does overall maintenance management of our housing portfolio.

Occupational Health and Safety Section

The ongoing modernization of Housing NWT's Occupational Health and Safety Program is the responsibility of the Occupational Health and Safety Section, which works closely with headquarters, District Offices, and Local Housing Organizations.

Programs and District Operations

Our Programs and District Operations Branch provides corporate support and oversight to Housing NWT's five District Offices in delivering programs and services to NWT residents. This includes developing, implementing, delivering, and monitoring programs and initiatives that address housing needs in the NWT, ensuring consistent program delivery and implementation.



Tuktoyaktuk, NWT

Housing Programs Division

The Housing Programs Division works closely with District Offices and Local Housing Organizations (LHOs) to ensure compliance with existing program policies and procedures. This Section also develops and updates ongoing operational policies and procedures so that housing programs stay updated and responsive and that District Offices and LHOs have the support, training, and capacity to deliver our programs and services effectively and efficiently.

District Operations

District Offices are responsible for the administration of district capital and program delivery. They work closely with leaders and residents at the community level and play an important role in land acquisition and development, maintenance, and training. District Offices work with LHOs and NWT residents to identify program options that help individuals and families meet their housing needs. This assistance includes delivering Housing NWT's Homeownership Initiative, Home Purchase Program, Home Repair Program, Mobility Modifications, Emergency Repairs, Seniors Aging in Place, Seniors Home Repair, and Preventative Maintenance programs.

North Slave District Office

This District Office supports the communities of Behchokò, Dettah/N'dilo, Gamètì, Łutselk'e, Wekweètì, Whatì, and Yellowknife.

South Slave District Office

This District Office supports the communities of Enterprise, Hay River, Kát'odeeche First Nation, Kakisa, Fort Providence, Fort Resolution, and Fort Smith.

Nahendeh District Office

This District Office supports the communities of Fort Liard, Fort Simpson, Jean Marie River, Nahanni Butte, Sambaa K'e, and Wrigley.

Sahtú District Office

This District Office supports the communities of Colville Lake, Déłıne, Fort Good Hope, Norman Wells, and Tufit'a.

Beaufort Delta District Office

This District Office supports the communities of Aklavik, Fort McPherson, Inuvik, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk, and Ulukhaktok.

Local Housing Organizations (LHOs)

We administer approximately 3,000 housing units in 31 communities in partnership with 24 LHOs and community organizations. LHOs work as agents of Housing NWT and are responsible for the administration of public and affordable housing rental units in most communities across the NWT. The LHOs, under agreement with Housing NWT, provide property management services that include allocating units, assessing rent, collecting rent, and providing preventative and demand maintenance services.

Each LHO has an advisory board that oversees its operations. Our District Offices are responsible for these operations in communities without an LHO.

The following is a list of all LHOs and Indigenous governments that support the delivery of Housing NWT's programs and services via a Housing Division:

Community	Local Housing Organization
Aklavik	Aklavik Housing Association
Behchokò	Behchokò Kò Gha K'àodèe
Colville Lake	Housing NWT Sahtú District Office
Déłıne	Déłıne Housing Association
Dettah/N'dilo	Yellowknives Dene Band Housing Division
Enterprise	Housing NWT South Slave District Office
Fort Good Hope	Rádeyılı Kóé Housing Association
Fort Liard	Fort Liard Housing Authority
Fort McPherson	Fort McPherson Housing Association
Fort Providence	Fort Providence Housing Association
Fort Resolution	Fort Resolution Housing Authority
Fort Simpson	Fort Simpson Housing Authority
Fort Smith	Fort Smith Housing Authority
Gamèti	Gamèti Housing Authority
Hay River	Hay River Housing Authority
Inuvik	Inuvik Housing Authority
Jean Marie River	Fort Simpson Housing Authority
Kakisa	Housing NWT South Slave District Office
Kátł'odeeche First Nation	Hay River Housing Authority
Łutselk'e	Łutselk'e Housing Authority
Nahanni Butte	Fort Simpson Housing Authority
Norman Wells	Norman Wells Housing Authority
Paulatuk	Paulatuk Housing Association
Sachs Harbour	Sachs Harbour Housing Association
Sambaa K'e	Fort Simpson Housing Authority
Tsiigehtchic	Tsiigehtchic Housing Association
Tuktoyaktuk	Tuktoyaktuk Housing Association
Tułit'a	Tułit'a Housing Association
Ulukhaktok	Ulukhaktok Housing Association
Wekweètì	Housing NWT North Slave District Office
Whatì	Whatì Housing Authority
Wrigley	Fort Simpson Housing Authority
Yellowknife	Yellowknife Housing Authority

Programs

Rental Programs

Public Housing

Our Public Housing Program is a rental program for individuals and families who do not have the financial resources to access shelter on their own, providing residents in need with income-based subsidies for housing rental. This means the cost of rent is based on the household's total income. Rent is set between 4-19% of the tenant's gross income, which is substantially lower than most jurisdictions in Canada that charge between 25-28%.

Financial, administrative, maintenance, construction, and repair support are provided to community partners who deliver the program on behalf of Housing NWT. Approximately 2,500 public housing units across the NWT are operated by Housing NWT and managed by LHOs and community organizations.

Public Housing Waitlist Summary as of March 31, 2025

The Public Housing Waitlist provides a snapshot of the number of households actively seeking access to affordable housing across the Northwest Territories. It reflects ongoing demand and helps inform Housing NWT's planning, policy development, and resource allocation. This data supports our commitment to improving housing outcomes, advancing equity, and ensuring that residents—especially those most in need—have access to safe, adequate, and affordable homes.

# of Bedrooms	0	1	2	3	4	TOTAL
Beaufort Delta						
Aklavik	0	10	5	0	0	15
Fort McPherson	0	19	1	2	0	22
Inuvik	0	54	13	11	3	81
Paulatuk	0	9	1	0	0	10
Sachs Harbour	0	2	1	0	0	3
Tsiigehtchic	0	7	0	0	0	7
Tuktoyaktuk	0	9	7	2	0	18
Ulukhaktok	0	7	4	0	0	11
TOTAL	0	117	32	15	3	167
Nahendeh						
Fort Liard	0	9	3	1	0	13
Fort Simpson	0	21	3	2	0	26
Sambaa K'e	0	1	0	0	0	1
TOTAL	0	31	6	3	0	40

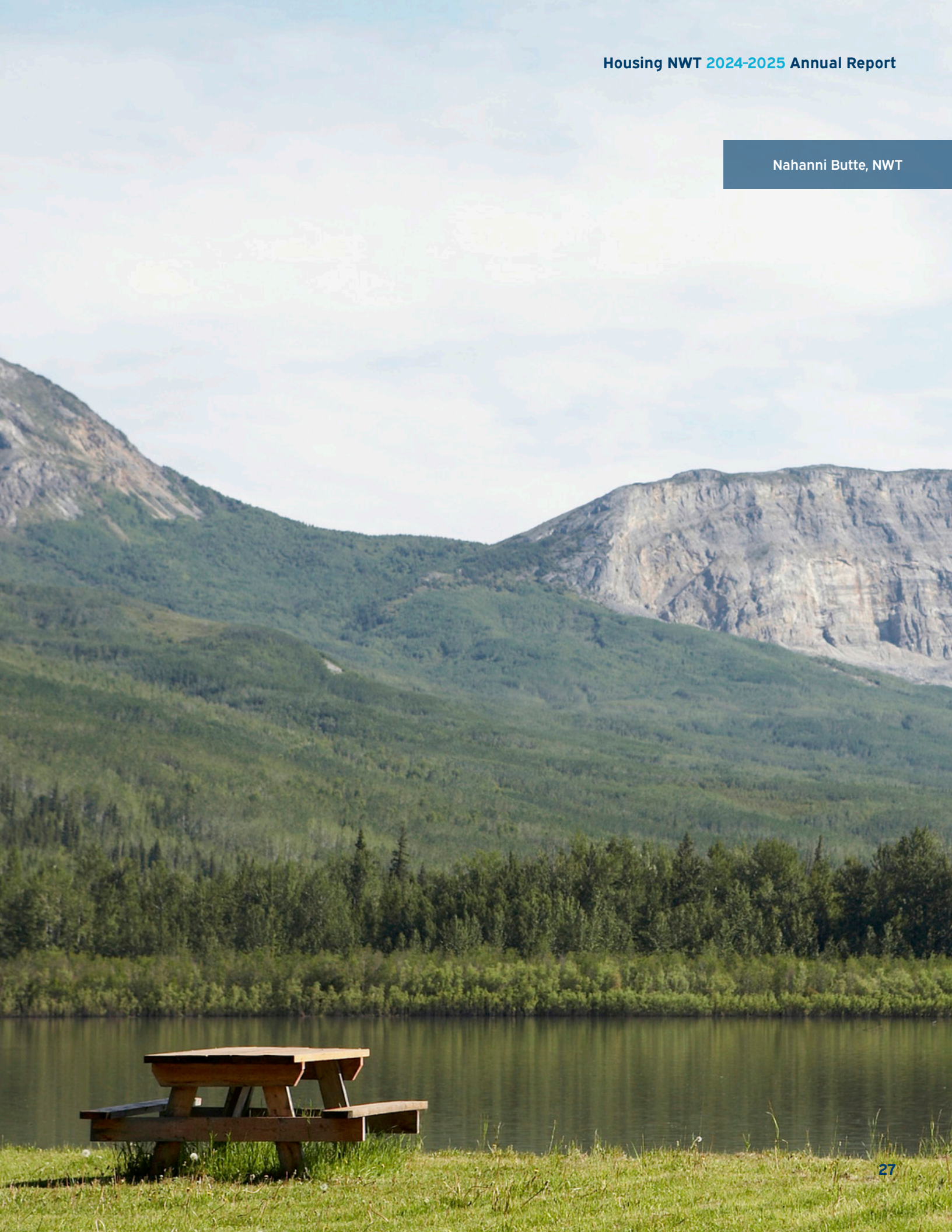
North Slave						
Behchokò (Rae)	0	112	17	5	0	134
Dettah	0	6	2	0	0	8
Gamètì	0	1	1	1	0	3
Lutselk'e	0	4	1	0	0	5
N'dilo	0	14	5	0	0	19
Wekweètì	0	1	1	0	0	2
Wha'tì	0	10	4	1	0	15
Yellowknife	0	216	79	49	11	355
TOTAL	0	364	110	56	11	541
Sahtú						
Colville Lake	0	2	1	0	0	3
Déłıne	0	23	4	1	0	28
Fort Good Hope	0	9	2	0	0	11
Norman Wells	0	7	2	0	0	9
Tułı't'a	0	12	2	0	0	14
TOTAL	0	53	11	1	0	65
South Slave						
Fort Providence	0	10	4	1	0	15
Fort Resolution	0	13	0	3	0	16
Fort Smith	9	1	9	2	0	21
Hay River	22	11	4	5	0	42
Kátł'odeeche First Nation	3	0	3	0	0	6
TOTAL	34	35	20	11	0	100
NWT TOTAL	34	600	179	86	14	913

Canada-NWT Housing Benefit

The Canada-NWT Housing Benefit (CNHB) is a funding program that provides a rental subsidy to assist with rental costs. It is available to eligible applicants paying more than 30% of their gross income towards rent and funding is available up to a maximum of \$800 per month. This benefit is not available to homeowners, residents in public housing, or people receiving income assistance.

Market Housing Program

A shortage of market housing in smaller NWT communities has made it difficult to deliver GNWT programs and services, due to limited housing for essential community workers. Housing NWT operates several unsubsidized units under the Market Housing Program to support these non-market communities and their community workers. Through the program, we offer rental units at set rates to help increase housing availability.



Homeownership Programs

Housing NWT provides many opportunities for NWT residents to access support for homeownership. This includes programs that help residents purchase a modest private home, repair their homes to ensure a safe and healthy residence and increase their home's useful economic life, or access a rental program to experience the commitments required to be an effective homeowner.

The structure of our homeownership programs offers flexible delivery options to NWT residents and also meets the needs of seniors and those with mobility challenges. Our programs offer financial assistance, along with education and counselling, to support residents in becoming successful homeowners. Applications are accepted from April 1 to October 31 each year. One-on-one discussions between residents and Housing NWT staff are part of the application process and necessary to explore program requirements, help individuals identify their housing needs, and determine which program best fits an individual's or a household's needs.

Client counselling is required at all stages during our application process. It is necessary to give applicants relevant information like the Home Mobility Modification Agreement and homeowner responsibilities, such as the importance of home maintenance and home insurance.

All applicants must complete an application form with a representative from Housing NWT or its designated agent. Applicants are not permitted to complete the application on their own.

Homeownership Initiative

This initiative supports our objective of increasing private homeownership in rural and remote communities. A forgivable loan is available to eligible NWT residents living in nonmarket communities, which are communities other than Fort Simpson, Fort Smith, Hay River, Inuvik, Norman Wells, and Yellowknife. The Homeownership Initiative can provide support to families that have enough income to own and operate their own homes by:

- Converting Housing NWT's existing homeownership rental portfolio to homeownership units for eligible tenants who wish to become homeowners.
- Providing eligible public housing tenants in detached units operated by Housing NWT the opportunity to purchase their units and become homeowners if they have sufficient income to pay for the operating and maintenance costs.

Home Purchase Program

Our Home Purchase Program supports first-time buyers with down payment assistance to make homeownership more achievable. A forgivable loan of up to 5% is available to subsidize the costs of purchasing an existing modest home in the NWT's market communities of Fort Simpson, Fort Smith, Hay River, Inuvik, Norman Wells, and Yellowknife.

Preventative Maintenance Program

This program offers eligible households a forgivable loan to subsidize the costs of preventative maintenance checks and minor servicing or repairs that ensure a safe and healthy residence.

Seniors Home Repair Program

Financial assistance in the form of a forgivable loan is available to eligible senior homeowners so they can make necessary health and safety-related repairs to their existing homes.

Emergency Repair Program

Our Emergency Repair program provides eligible households short-term forgivable loans to address emergency health and safety repairs like freeze-ups and furnace failures that are urgently required to support the continued safe occupancy of the home.

Mobility Modifications Program

A forgivable loan is available for eligible homeowners to improve the accessibility of their homes. This program helps fund home modifications that promote continued independent living for household members with a disability.

Seniors Aging in Place

This program helps seniors live independently for as long as possible in their communities. Eligible households can receive a forgivable loan to support repairs or upgrades that make their homes more efficient and less expensive to operate when it comes to heating, electricity, and water. Minor home adaptations like grab bars to improve accessibility and mobility are also eligible.

Homeownership Program Statistics

The following table shows the number of applications approved in 2024-2025 for homeownership programs offered through Housing NWT by District Office and for the entire territory.

Program	District					
	Beaufort-Delta	Nahendeh	North Slave	Sahtú	South Slave	TOTAL
	# of Approved Applications					
Seniors Home Repair Program	0	2	10	0	6	18
Preventative Maintenance Program	89	0	170	0	43	302
Mobility Modifications Program	1	0	2	0	2	5
Homeownership Initiative	0	0	3	2	5	10
Home Purchase Program	0	0	3	1	1	5
Emergency Repair Program	47	39	75	12	55	228
Seniors Aging in Place	58	0	72	0	10	140
TOTAL	195	41	338	15	122	711

Homelessness Programs

Rapid Rehousing Program

Our Rapid Rehousing Program is a housing intervention designed to help individuals and families quickly exit homelessness and return to permanent housing. Its key components are:

- **Housing Identification:** Helping participants find suitable housing.
- **Rent and Move-In Assistance:** Providing financial support for rent and move-in costs.
- **Case Management:** Offering short-term, intensive case management services to help stabilize housing and connect participants to community resources.

The goal is to reduce the time people spend in homelessness, prevent returns to homelessness, and increase housing stability.

Emergency Overnight Shelters

Emergency overnight homeless shelters provide immediate, short-term accommodation for individuals and families experiencing homelessness. They typically offer:

- **Basic Shelter:** A safe place to sleep, usually on a night-by-night basis.
- **Basic Necessities:** Access to food, restrooms, and sometimes showers.
- **Safety:** A secure environment to protect individuals from the dangers of sleeping on the streets.
- **Support Services:** Limited access to support services such as referrals to more permanent housing solutions, medical care, and social services.

These shelters aim to provide temporary relief from homelessness while helping individuals and families connect to longer-term housing and support options. We support seven emergency shelters: three in Yellowknife, two in Inuvik, one in Fort Simpson, and one in Hay River.

Shelter Enhancement Fund

This fund provides financial support to help improve, repair, or upgrade existing shelters in Northwest Territories communities. This funding helps shelter operators maintain safe, accessible, and functional spaces for those in need.

- **Facility Upgrades:** Renovations and repairs to improve safety, sanitation, energy efficiency, and overall comfort.
- **Accessibility Improvements:** Modifications to ensure shelters are accessible to individuals with reduced mobility or other disabilities.
- **Safety and Security:** Installation or improvement of security systems, lighting, staff training and other features that promote a safe environment.
- **Capacity and Space Expansion:** Creating additional beds or programming space to accommodate more clients or support expanded services.
- **Health and Quality of Life Improvements:** Addressing health and safety requirements and enhancing daily living through amenities like laundry, communal, or recreational spaces.

This fund does not cover ongoing operations or maintenance costs.

Small Community Homelessness Fund

This fund supports community-led projects that address the unique shelter and support needs of individuals experiencing homelessness in Northwest Territories communities (excluding Yellowknife).

Homelessness looks different in every community. That's why this fund is designed to be flexible and responsive to local priorities—for both adults and youth.

Homelessness Assistance Fund

This program offers short-term financial assistance to support individuals and families experiencing urgent housing challenges or struggling to secure long-term housing. This emergency financial assistance can be used to cover utility arrears, private market rental arrears, damage deposits and first month's rent, and one-way travel assistance to a community where an individual has guaranteed housing.

Housing First

We provide an ongoing financial contribution to support the sustainability of the Housing First program in Yellowknife. The goal of Housing First is to end homelessness by providing stable, permanent housing first, and then addressing the other needs of individuals and families through supportive services that improve their overall quality of life and well-being.

Northern Pathways to Housing

This is a supportive housing program for adults experiencing housing instability to address homelessness in small communities outside of Yellowknife. The program's goal is to stabilize individuals with housing and work with communities to develop wrap-around support systems to encourage the integration of these individuals into the community. The Northern Pathways to Housing program is being delivered in Aklavik, Fort Simpson, Behchokò, Fort Good Hope and Yellowknife.

Partnerships

Community Housing Plans

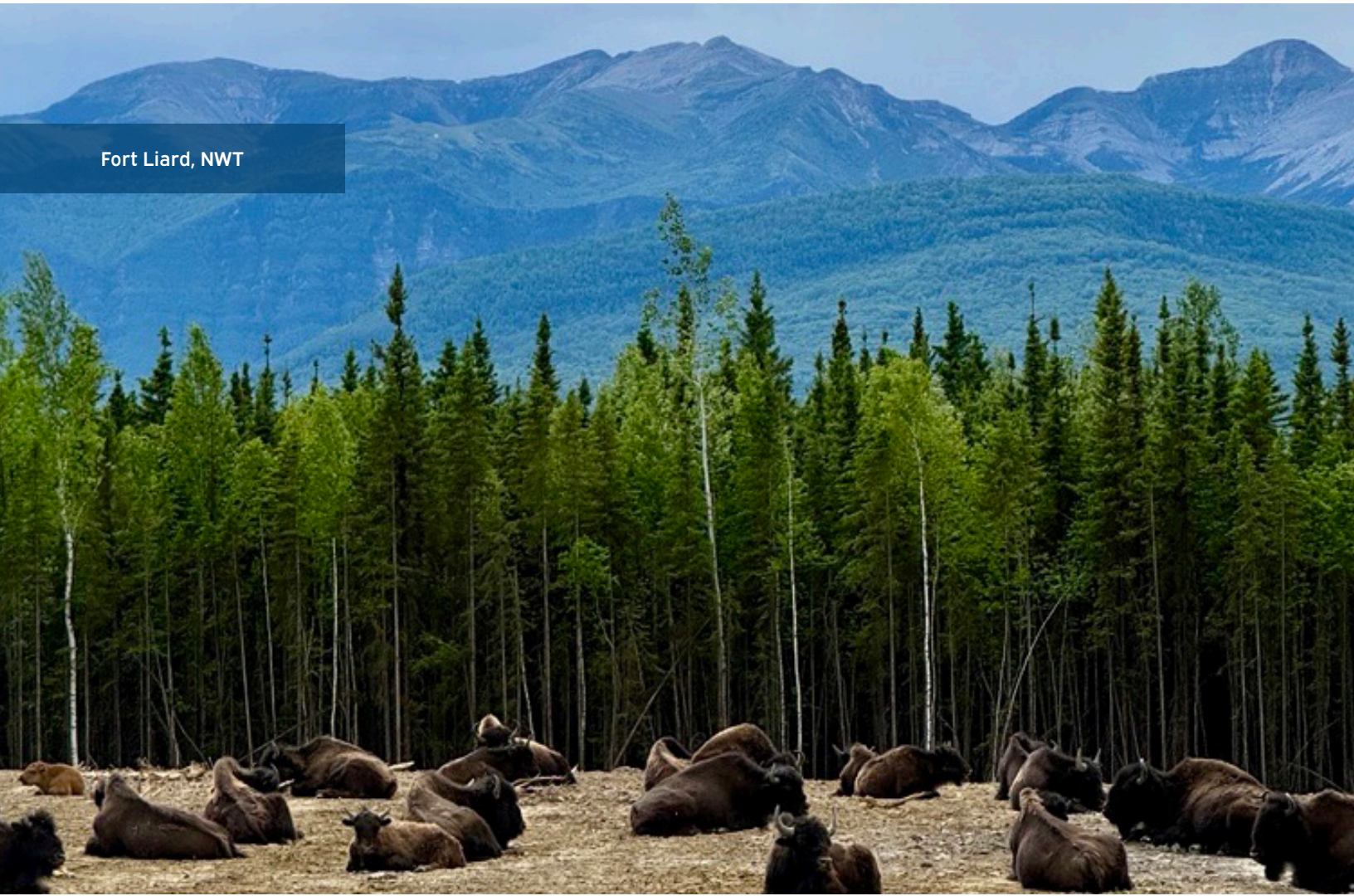
Community Housing Plans combine community values and priorities with housing data, statistics, and program information to create a comprehensive guide that better directs housing investment in the community. We support communities in various ways, including offering technical advice, planning assistance, and financial support to hire staff for recording information and gathering feedback. Additionally, we help organize community engagement events. Once the information is collected and priorities are set, a community housing plan is drafted, and we provide ongoing support for updates as needed. By the end of 2024-2025, nine communities had fully completed housing plans with the support of Housing NWT, while projects remain active in five other communities.

Community Housing Support Initiative

Our Community Housing Support Initiative funds community-based housing projects for municipalities and other community organizations. These projects contribute to delivering affordable, adequate, suitable, and culturally appropriate housing for families, seniors, and single-member households, or provide programs that promote community prosperity and the health and well-being of residents. During 2024-2025, this program supported \$2.4 million in housing related projects.

Progress 2024-2025

Fort Liard, NWT



Housing Delivery Status Update

Housing NWT made great progress on its capital plan, which focused on increasing housing availability and improving existing units across the territory. Through the 2024-2025 fiscal year, construction projects resulted in over 80 newly constructed housing units as well as a modernization and improvement transitional housing project for addiction recovery program in Yellowknife, a biomass heating system for 20 units in Fort Simpson, and major repairs to more than 110 units throughout the territory. These projects support the preservation of the public housing portfolio and contribute to the local economy, with over 90% of contracts awarded to NWT-based businesses. Several of these housing projects were delivered in partnership with our funding partners, including the federal government and the City of Yellowknife.

Tuġit'a seniors duplex production at METCAN facility
Photo Credit: Housing NWT



Seniors duplex on the winter road to Tuġit'a, NWT
Photo Credit: Housing NWT



New modular fourplex in Paulatuk, NWT
Photo Credit: Housing NWT



April 2024

Front Line Worker Training

In 2024, Housing NWT supported a diverse range of training opportunities aimed at strengthening trauma-informed care, promoting wellness, and addressing homelessness across the Northwest Territories. A key highlight was the Canadian Alliance to End Homelessness Training Series, held in Yellowknife at the Northern United Place Auditorium on April 22–23. This session provided participants with foundational tools to support individuals on their recovery journeys and improve overall quality of life.

Earlier in the year, two trauma-focused sessions were also hosted at the Northern United Place Auditorium: Self Care for Self and Others: Trauma-Informed Practices (February 4–5) and Creating Trauma-Informed Spaces (February 6). These interactive trainings equipped frontline workers and leaders with practical strategies to manage vicarious trauma, prevent burnout, and create supportive environments.

Further expanding the reach of trauma-informed education, the Responding to Trauma and Grief for Indigenous Communities and Organizations series was delivered in two communities. The first session took place in Yellowknife from May 6–10, focusing on resilience, grief support, and effective care. The training was later offered in Hay River from September 23–27, ensuring broader access to culturally relevant support strategies.

In addition to these training opportunities, Housing NWT facilitated several internal learning sessions throughout the year, including:

- **Boundaries and Ethics for Shelter Staff** (Delivered virtually and in-person across multiple regions) – Focused on navigating dual relationships, confidentiality, and professional ethics in shelter environments.
- **Cultural Safety and Anti-Racism Training** – Designed to improve understanding of systemic barriers and promote culturally safe service delivery for Indigenous and racialized clients.
- **Naloxone Administration and Harm Reduction Approaches** – Delivered in partnership with health agencies to support shelter staff in overdose prevention and response.
- **Conflict De-escalation and Crisis Intervention** – Targeted training to equip staff with non-violent communication skills and safe intervention techniques in high-stress environments.
- **Housing First and Case Management Fundamentals** – Aimed at enhancing service delivery for clients transitioning from homelessness into stable housing.

These initiatives reflect Housing NWT's ongoing commitment to building frontline capacity, promoting wellness in the workplace, and fostering healing and equity across the territory.

Collaborative Agreement with Gwich'in Tribal Council

In April 2024, Housing NWT and the Gwich'in Tribal Council signed a Collaborative Agreement on Housing in Inuvik. This agreement builds on past cooperation and establishes a formal framework for working together on housing priorities in the Gwich'in communities of Aklavik, Inuvik, Teet'it Zheh (Fort McPherson), and Tsiigehtchic. It reflects a shared commitment to improving housing outcomes and supporting community-led approaches.

The agreement includes the creation of a Housing Working Group, which will serve as the main forum for collaboration. This group will focus on community housing planning, coordinated program delivery, and exploring opportunities for joint service delivery. It also provides a platform to align efforts and share knowledge between governments. By working together, both parties aim to better address the unique housing needs of the Mackenzie Delta region.

This agreement contributes to Housing NWT's ongoing efforts to build strong working relationships with Indigenous governments. It also helps guide future collaboration on housing initiatives in the region.



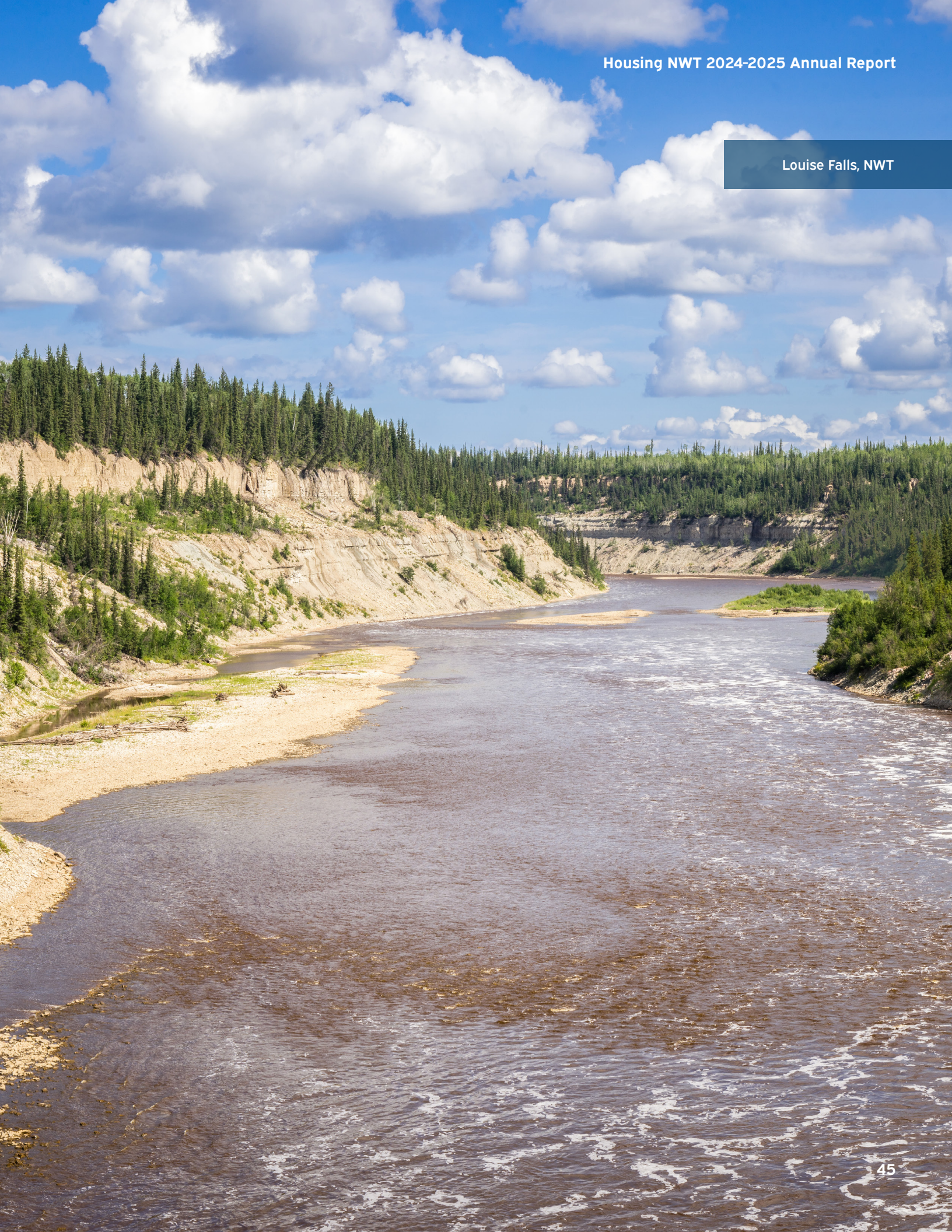
October 2024

Hay River Homeless Shelter Partnership

In October 2024, the Hay River & Area Métis Local #51 assumed operations of the Hay River Homeless Shelter through a new partnership supported by the Government of the Northwest Territories (GNWT). The 15-bed shelter provides essential services, including overnight accommodations, meals, and access to basic supports for individuals experiencing homelessness in Hay River and the surrounding area.

In 2024-25, Housing NWT provided \$785,000 in financial assistance to the Hay River & Area Métis Local #51 to support shelter operations. This amount included additional funding from the federal Reaching Home program that further strengthened the shelter's ability to deliver services. Staff have also received training in areas such as safety, mental health, and case management to help enhance the quality of care and support provided.

This partnership reflects the principles of *A Way Home: A Comprehensive Strategy to Address Homelessness in the Northwest Territories*, which emphasizes community-driven solutions to help individuals and families achieve permanent housing and improved well-being. By supporting Indigenous leadership and investing in local capacity, Housing NWT is helping to build stronger, more responsive shelter services that meet the needs of northern communities.



Biomass boiler training in Yellowknife, NWT
Photo Credit: Housing NWT



November 2024

Biomass Boiler Operator Training

In November 2024, Housing NWT partnered with Arctic Energy Alliance, the Departments of Municipal and Community Affairs, and Infrastructure, and the NWT Association of Communities to deliver a two-day Biomass Boiler Operator Training Course. Staff from Local Housing Organizations (LHOs) across the territory, along with Housing NWT district staff, participated in the training to build skills in operating and maintaining biomass heating systems.

These systems are a key part of Housing NWT's efforts to reduce reliance on fossil fuels and support more sustainable housing solutions. Biomass boilers offer both environmental and cost-saving benefits, and this training supports the long-term goal of improving energy efficiency and addressing climate change in northern communities.

District Directors and LHO Managers Meeting

In late November 2024, District Directors, and Local Housing Organization (LHO) Managers from across the Northwest Territories gathered in Yellowknife for in-person meetings primarily focused on financial management and labour relations. These sessions provided a valuable opportunity for collaboration and discussion on operational planning and housing priorities, with additional discussion on program updates, maintenance planning, and tenant services.

Participants shared regional perspectives and explored strategies to strengthen coordination between Housing NWT and LHOs, helping to identify opportunities to improve service delivery and support for tenants.

Held regularly, these meetings are an important part of Housing NWT's approach to strengthening partnerships, aligning operations, and ensuring consistent, community-informed housing services across the Northwest Territories.



Local Housing Organization meeting in Yellowknife, NWT
Photo Credit: Housing NWT



Replacement unit installation in Kátt'odeeche First Nation, NWT
Photo Credit: Housing NWT



New public housing duplex in Fort Simpson, NWT
Photo Credit: Housing NWT

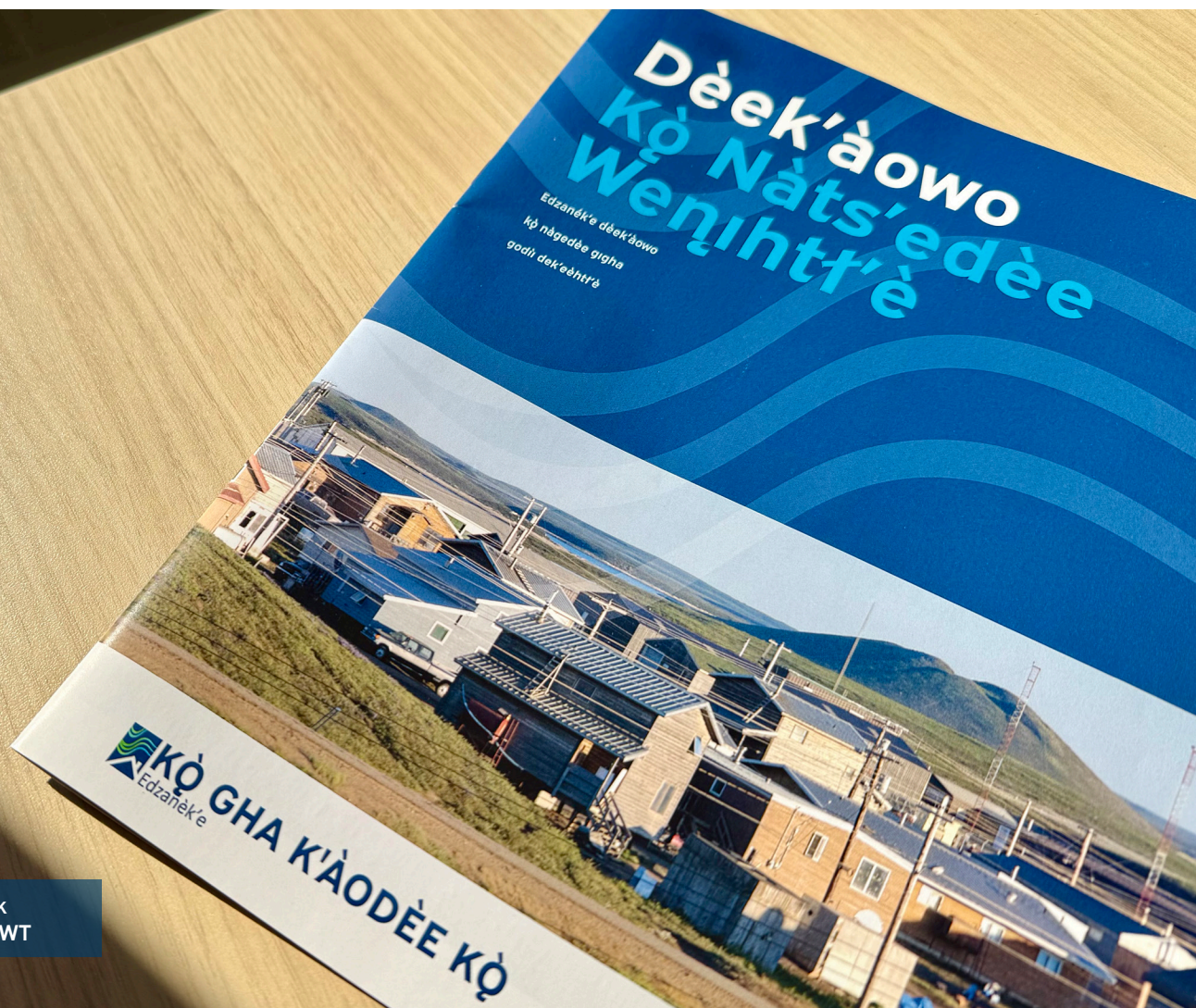


December 2024

Tenant Handbook Now Available in Tłıchǵ

As part of Housing NWT's commitment to inclusive and accessible communication, the Tenant Handbook was made available in the Tłıchǵ language. This resource outlines the rights and responsibilities of public housing tenants, landlords, and agents under the Residential Tenancies Act in the Northwest Territories.

Providing the handbook in Indigenous languages supports stronger communication with tenants and reflects Housing NWT's ongoing efforts to ensure housing information is accessible to all residents, regardless of language. This initiative helps build trust and understanding between tenants and housing providers, and supports culturally respectful service delivery across the territory.



Tłıchǵ Tenant Handbook
Photo Credit: Housing NWT

January 2025

2025 NWT Housing Symposium

In January 2025, the NWT Housing Forum hosted its first in-person Housing Symposium in Yellowknife. The two-day event brought together more than 85 participants, including representatives from Indigenous governments, community organizations, industry, and all levels of government. The Symposium provided an opportunity to share information, discuss housing challenges, and explore ways to work together more effectively.

Discussions focused on a range of topics, including workforce development, housing needs assessments, construction design, funding opportunities, and housing stability. The event also featured a keynote address by Métis architect David Fortin, who spoke about sustainable and culturally informed housing design. Presentations from partners highlighted local initiatives and tools aimed at supporting housing development in northern communities.

The Symposium helped strengthen relationships among housing partners and supported ongoing efforts to coordinate housing work across the territory. The NWT Housing Forum, co-chaired by Housing NWT and an Indigenous government, continues to meet regularly and will host the next in-person symposium in 2027.



NWT Housing Forum - Symposium 2025
Photo Credit: Housing NWT



February 2025

Delivering New Homes in the Tłıchǫ Region

Housing NWT, in partnership with the Tłıchǫ Investment Corporation, delivered 8 new housing units in the Tłıchǫ Region to support seniors and individuals in Behchokǫ and Whatì. These new units are designed to provide safe, accessible, and energy-efficient housing, allowing seniors to age in place with dignity and ensuring that single residents have secure, affordable homes.

Funded by the Canada Mortgage and Housing Corporation (CMHC) and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), this project reflects the Government of the Northwest Territories' (GNWT) commitment to delivering homes for NWT residents. It also highlights the importance of collaboration with Indigenous governments and businesses to maximize funding, create training opportunities, and strengthen community capacity.

New seniors duplex in Behchokò, NWT
Photo Credit: Housing NWT



New singles duplex in Behchokò, NWT
Photo Credit: Housing NWT



New two storey duplex in Whatì, NWT
Photo Credit: Housing NWT



March 2025

Transitional Housing Post Addiction Recovery Program

As part of its commitment to expanding community-based aftercare services, Housing NWT, in partnership with the Salvation Army and the City of Yellowknife, launched a new transitional housing program in Yellowknife. This initiative provides a safe, sober living environment for individuals returning from addiction treatment, supporting their reintegration into the community, and helping them rebuild stability.

The home is owned and maintained by Housing NWT, while the Salvation Army operates the program, delivering emotional support, life skills development, and recovery-focused programming. The program is designed to reduce the risk of relapse and support residents as they work toward long-term housing, education, and employment goals.

To support this initiative, the GNWT secured \$1.3 million in federal funding through the City of Yellowknife's partnership with Canada's Reaching Home strategy. The transitional home is expected to begin accepting clients in April and represents a key component of the GNWT's broader strategy to enhance addiction recovery supports across the territory.



Transitional Housing Post Addiction Recovery Program house in Yellowknife, NWT
Photo Credit: Housing NWT



N'dilo new modular duplex transportation
Photo Credit: Housing NWT





New modular duplex installation in N'dilo, NWT
Photo Credit: Housing NWT

Forgiveness

The following chart shows mortgage and rental loan forgiveness amounts by community for the entire territory. The forgiveness of a debt or obligation owed to a public agency must be report in the annual report of that fiscal year.

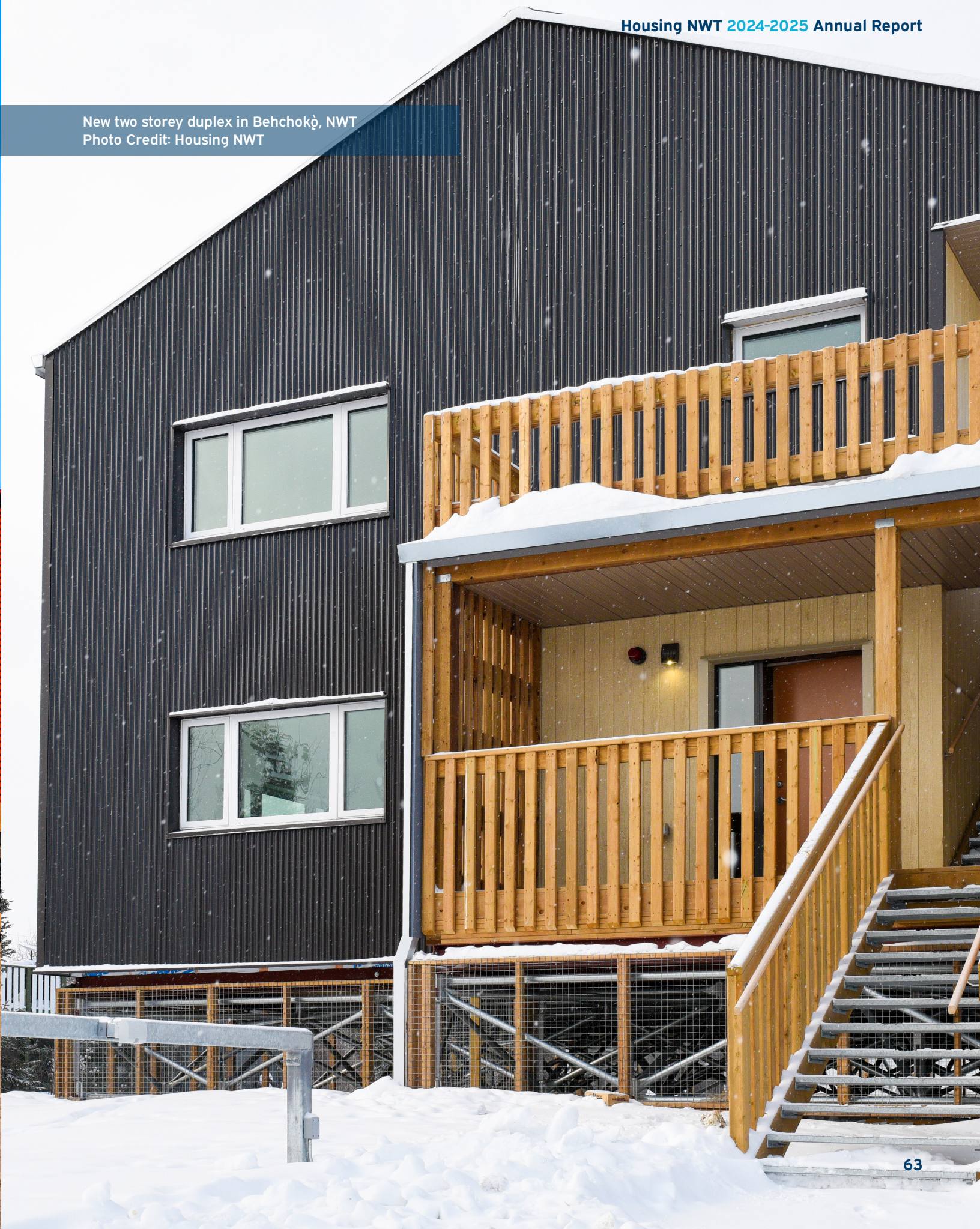
Type of obligation	Community	Amount, \$
Mortgage	Behchokò (Rae)	42,223
	Déline	227,581
	Fort Good Hope	62,660
	Fort Liard	137,384
	Fort McPherson	33,827
	Fort Resolution	39,560
	Fort Simpson	30,045
	Fort Smith	20,937
	Gamètì	143,084
	Hay River	52,040
	Inuvik	320,230
	Lutselk'e	44,084
	Nahanni Butte	19,533
	Sambaa K'e	21,429

Rental Arrears	Aklavik	20,248
	Behchokò (Edzo)	5,230
	Behchokò (Rae)	165,197
	Déline	63,864
	Fort Good Hope	3,169
	Fort McPherson	3,618
	Fort Providence	16,018
	Fort Resolution	48,154
	Fort Simpson	2,470
	Fort Smith	73,569
	Gamètì	1,671
	Hay River	9,218
	Inuvik	193,468
	Łutselk'e	23,085
	N'dilo	33,108
	Norman Wells	56,734
	Paulatuk	7,292
	Sachs Harbour	61,680
	Tsiigehtchic	4,714
	Tuktoyaktuk	90,295
	Tułit'a	37,619
	Ulukhaktok	43,264
	Whatì	7,240
	Yellowknife	359,472
Grand Total		2,525,014

New modular fourplex in Paulatuk, NWT
Photo Credit: Housing NWT



New two storey duplex in Behchokò, NWT
Photo Credit: Housing NWT



Appendix A: Management Discussion and Analysis – Fiscal Year 2024-2025



Managing Risks

There are both external and internal pressures and risks that influence how Housing NWT delivers its housing programs and services. In response to these challenges, Housing NWT has employed various mitigation strategies to help manage these risks, to the extent possible.

Climate Change

Weather events brought on by climate change, including but not limited to low water levels of rivers and lakes used for barge deliveries of materials and supplies, wildfires and permafrost degradation, have increased impact on regular operations and capital delivery through increased supply chain challenges and additional costs. Housing NWT continues to consider these factors in planning its programs and services delivery as well as managing cash flow and budgets. Looking toward to the future, Housing NWT started implementing a 2030 Energy Management Strategy that has set out specific goals and actions that Housing NWT will be taking to help mitigate these risks into the future.

CMHC Funding

Base operational and maintenance (O&M) funding for public housing operations from Canada Mortgage and Housing Corporation (CMHC) reduces annually and will reach zero by 2038-39. This funding continues to decline at varying amounts annually, depending on when the housing stock was initially constructed in partnership with the federal government. A multi-year bilateral agreement with CMHC, in support of the National Housing Strategy, provided an additional nine years (2019/20 – 2027/28) of federal funding certainty that will assist Housing NWT in responding to the territory's housing priorities, including helping to mitigate the continued annual decline in CMHC O&M funding for public housing operations. Housing NWT is planning further engagements with the federal government to work towards a new bilateral funding agreement for future years.

Core Need (Quality of Housing and Affordability)

The level of core housing need in the NWT, according to the *2019 NWT Community Survey*, is 23.6%. To assist in addressing this situation, Housing NWT continues to support capital investments to replace and to retrofit older and less energy-efficient housing units. In addition to these housing stock investments, Housing NWT continues to deliver a wide range of housing programs for private homeowners. For example, the Canada-NWT Housing Benefit Program continues to assist renters in keeping their rental costs affordable and the Securing Assistance for Emergencies (SAFE) repair program continues to provide financial assistance to low to moderate-income households to help address their emergency home repairs.

Utility Costs

Housing NWT continues to invest in improving the overall quality and energy-efficiency of its owned housing assets. New construction for the replacement of aging, single detached Public Housing is now primarily multi-unit buildings, resulting in reduced utility costs. For the past number of years, Housing NWT ensured the energy efficiency standards for new construction met, or exceeded, EnerGuide for Housing (EGH) 80 design standards. Housing NWT also continues to invest in energy efficiency technologies, such as biomass and photovoltaic solar systems, to help offset the high cost of energy.

Land Development

Land availability for both current and future housing construction projects is an ongoing challenge. Land development in many Northwest Territories communities has not kept pace with the ongoing demand for suitable building lots. Housing NWT continues to work with community governments to identify and develop suitable land for residential construction and ensures compliance with zoning bylaws and local development approval processes.

Credit Risk

Housing NWT is exposed to credit risk from tenants and mortgage clients. Housing NWT and several Local Housing Organizations (LHOs) have had challenges with some collection accounts resulting in accumulated arrears over several years. To assist in the collection process, Housing NWT has collections staff that focus on working with the LHOs and other parties involved in collection matters. Housing NWT's Territorial Housing System (THS) also supports Housing NWT in closely monitoring the status of tenant collections.

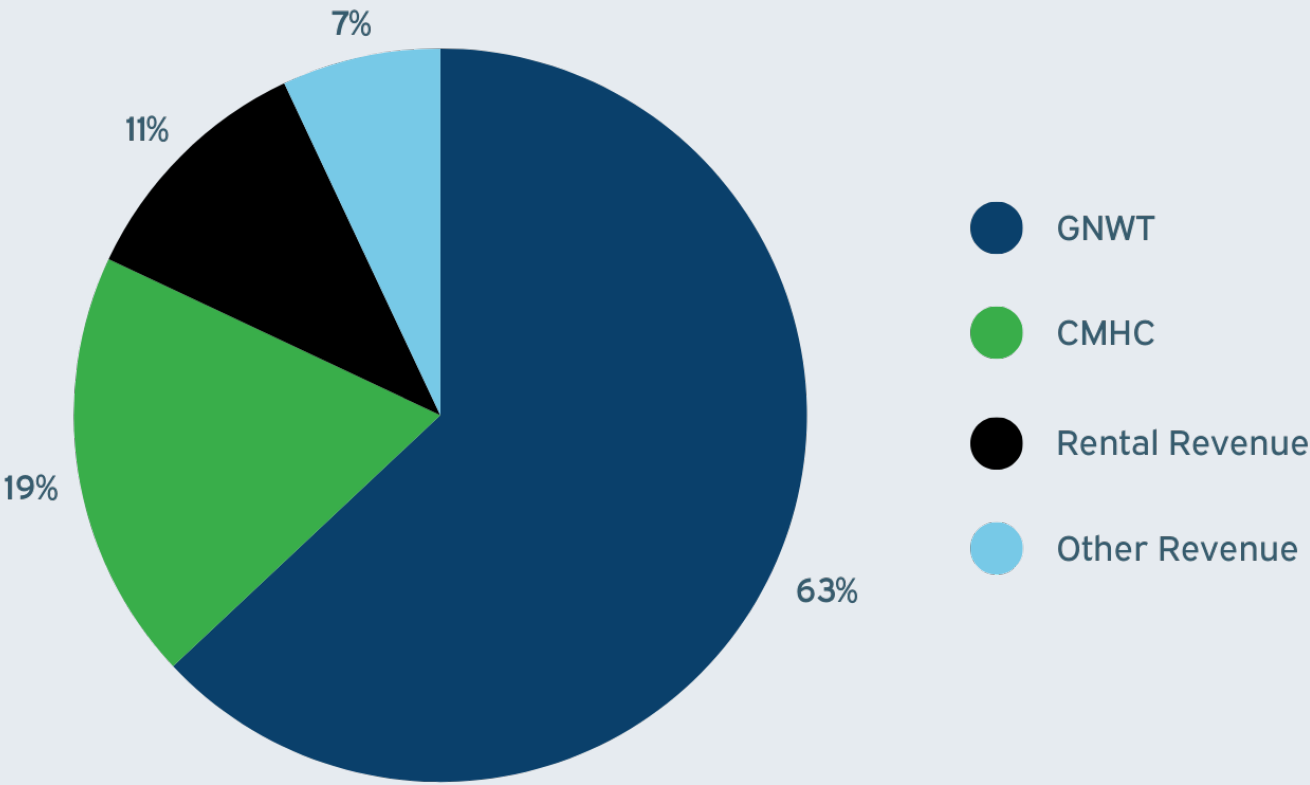
Financial Results

Revenues

The total revenues for Housing NWT in 2024-2025 were \$137.5 million, a decrease of \$30 million from the previous year's total of \$167.5 million.

Government funding from the GNWT, CMHC, CIRNAC and other transfers decreased by approximately \$30.2 million, from \$144.8 million to \$114.6 million. This was primarily due to lapsing of CIRNAC funding in 2024-2025.

Revenue generated from operations amounted to \$22.9 million in 2024-2025, an increase of \$0.2 million over the \$22.7 million in revenue generated in 2023-2024. This increase was primarily related to additional RCMP rental housing units being brought into service.



Expenses

Housing NWT's total expenses for 2024-2025 were \$135.9 million, an \$8.5 million increase over the 2023-24 year's expenses of \$127.4 million.

The cost of operating the Public Housing program this past year increased by \$6.2 million or approximately 9% primarily due to increased funding provided under the LHO funding formula, increases in utilities costs and increased amortization cost due to additional public housing assets coming into service. The Public Housing program costs continue to be the largest component of Housing NWT's expenses, representing 58% of the annual expenses, including amortization.

Expenses for the HELP and market housing programs including amortization were \$12.2 million in 2024-2025, an increase of \$0.9 million over 2023-2024 expenses of \$11.3. This increase was primarily related to increased amortization cost due to additional housing assets coming into service.

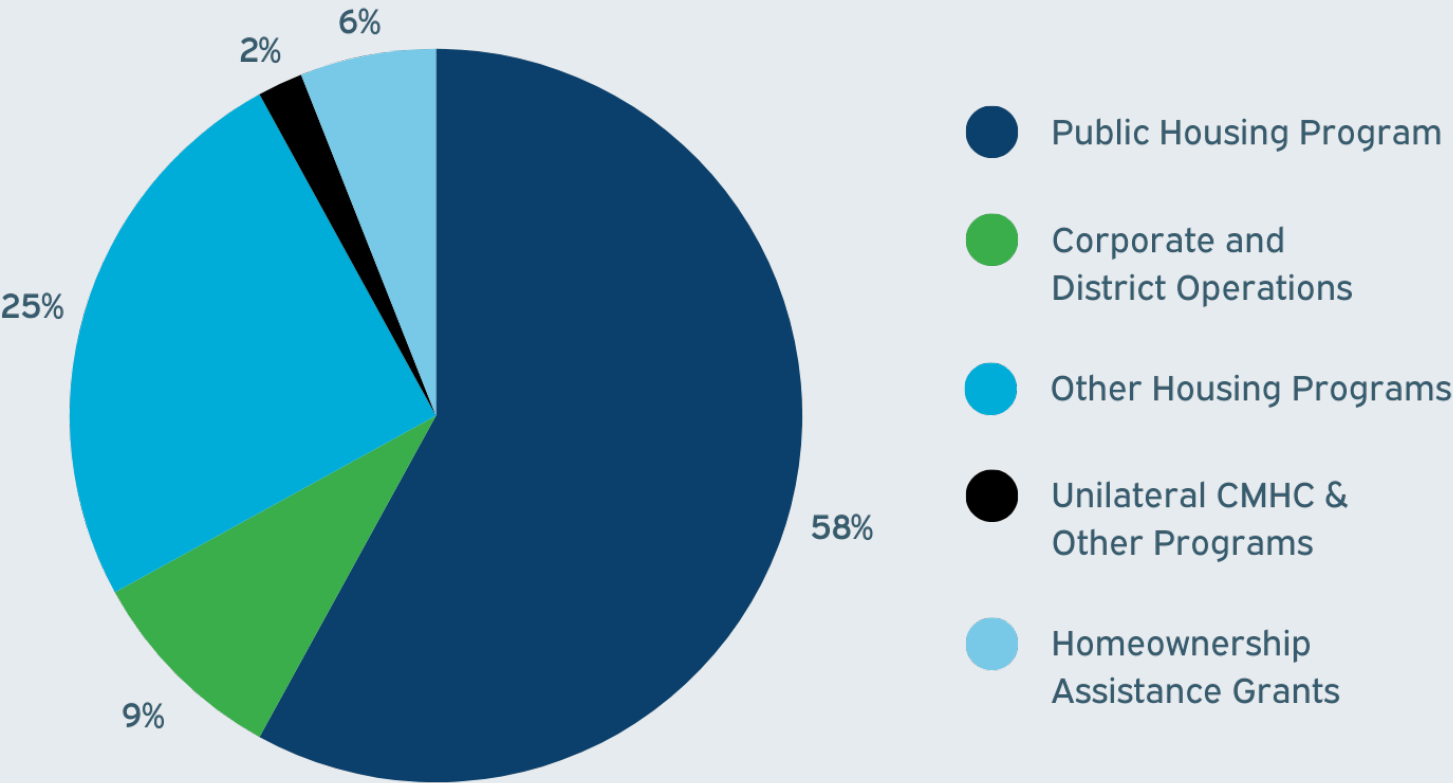
Homeownership assistance grants were \$7.8 million in 2024-2025, a decrease of \$2.2 million from the previous year's amount of \$10 million. This program funding supports private households in purchasing and repairing their homes. This decrease in 2024-2025 was attributable to factors, such as unawarded contracts due to excessive costs and capacity of contractors to complete the work.

Homelessness assistance grants were \$8.4 million, an increase of \$1.1 million or 15% over previous year's amount of \$7.3 million. This program funding supports homelessness grants and contributions. This increase is explained by increased contributions made to shelter operators in 2024-2025 for the delivery of homelessness programming and services.

Rent subsidy program grants were \$0.8 million, an increase of \$0.4 million under previous year's amount of \$0.4 million. This funding provides rent assistance grants to renters in the private market. This increase is due to higher client intakes in 2024-2025.

Housing NWT expensed \$24.9 million on Housing Operations and Support in 2024-2025, an increase of \$2.3 million or 10% from the \$22.6 million expensed in 2023-2024. Costs include program development and delivery and technical and administrative support for both the district offices and headquarters. This increase is primarily attributable to funding adjustments associated with the UNW Collective Agreement for GNWT workers.

The acquisition or construction of new housing assets and the renovation of existing housing is typically funded by the GNWT, CMHC, CIRNAC and Housing NWT's own source revenues. During the year, revenues, including Housing NWT generated revenues, exceeded operating expenses resulting in an annual surplus of \$1.6 million. This surplus goes towards resourcing the delivery of Housing NWT's multi-year capital projects.



Financial Position

Housing NWT continued to maintain a sound financial position in 2024-2025, with net financial assets of \$ 52.8 million, a \$ 13.3 million decrease from the \$66.1 million in 2023-24. This decrease is mainly due to \$18.2 million decrease in cash and portfolio investments, offset by \$3.6 million decrease in deferred revenue, \$14.1 million increase in account receivables, and \$11.5 million increase in account payables and \$1.8 million increase in asset retirement obligation (ARO).

The cash and cash equivalents balance of \$83.8 million (\$88.4 million on March 31, 2024) represents the March 31, 2025, bank balance for 23 LHOs and Housing NWT. Housing NWT invests excess cash flow in portfolio investments that meet the terms of the investment policy. As of March 31, 2025, \$56.8 million (\$70.4 million on March 31, 2024) was invested in portfolio investments with a weighted average rate of return of 3.6% (3.4% in 2023-2024). These investments continue to be liquidated to support Housing NWT's capital delivery and other program needs.

Since 2012, Housing NWT has been assisting mortgage program participants in restructuring their loans. This approach has assisted homeowners in satisfying their mortgage payment obligations while supporting the on-going delivery of housing programs and services. The total mortgage and loans receivable balance decreased from \$3.3 million as of March 31, 2024, to \$2.9 million as of March 31, 2025, due to approved forgiveness adjustments in 2024-2025.

Investment in Housing

As of March 31, 2025, Housing NWT had \$421 million of investments in land and buildings and other property and equipment, representing the amortized book value of owned public housing, homeownership rentals, and market rental units. During the year, Housing NWT acquired \$34.6 million in tangible capital assets.

Grayling Manor in Yellowknife, NWT
Photo Credit: Housing NWT



Appendix B: Independent Auditor's Report and Consolidated Financial Statements

Housing Northwest Territories
Consolidated Financial Statements
March 31, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for preparing these accompanying consolidated financial statements in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management maintains financial and management control systems and practices designed to provide reasonable assurance that transactions are properly authorized and recorded, proper records are maintained, assets are safeguarded, and Housing NWT complies with applicable laws and regulations. These controls and practices ensure the orderly conduct of business, the preparation of reliable financial information, and adherence to Housing NWT's statutory requirements and policies.

Housing NWT's external auditor, the Auditor General of Canada, conducts an independent audit, in accordance with Canadian generally accepted auditing standards, and expresses her opinion on the consolidated financial statements. Housing NWT's external auditor has full and free access to financial management of Housing NWT.

On behalf of Housing NWT



Erin Kelly, Ph.D.
President and CEO



Jim Martin, FCPA, FCGA, MBA, MA
Vice President
Finance and Infrastructure Services



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister responsible for Housing Northwest Territories

Opinion

We have audited the consolidated financial statements of Housing Northwest Territories and its controlled entities (the Group), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of operations and accumulated surplus, consolidated statement of change in net financial assets and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025, and the consolidated results of its operations, consolidated changes in its net financial assets, and its consolidated 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.



David Irving, CPA, CA
Principal
for the Auditor General of Canada

Edmonton, Canada
25 August 2025

HOUSING NORTHWEST TERRITORIES

Consolidated Statement of Financial Position

As at March 31, 2025

(in thousands)

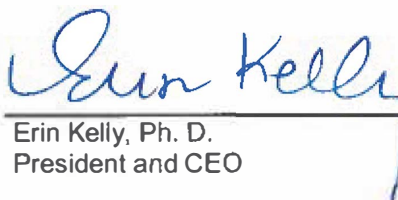
	<u>2025</u>	<u>2024</u>
Financial assets		
Cash and cash equivalents	\$ 83,817	\$ 88,415
Portfolio investments (Note 3)	56,778	70,426
Accounts receivable (Note 4)	25,306	11,197
Mortgages and loans receivable (Note 5)	<u>2,909</u>	<u>3,258</u>
	<u>168,810</u>	<u>173,296</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	40,249	28,706
Deferred revenue (Note 7)	21,359	24,924
Loans and mortgages payable to CMHC (Note 8)	2,575	3,286
Environmental liabilities (Note 10)	886	1,095
Retirement, post-employment, and other leave benefits	2,199	2,268
Asset retirement obligations (Note 9)	<u>48,778</u>	<u>46,931</u>
	<u>116,046</u>	<u>107,210</u>
Net financial assets	52,764	66,086
Non-financial assets		
Tangible capital assets (Schedule A)	421,045	406,155
Inventories held for use	2,452	2,464
Prepaid expenses	<u>102</u>	<u>74</u>
	<u>423,599</u>	<u>408,693</u>
Accumulated surplus	<u>\$ 476,363</u>	<u>\$ 474,779</u>

Contractual rights, contractual obligations and contingencies (Notes 13, 14 and 15)

Approved by:



Hon. Lucy Kuptana
Minister Responsible for Housing Northwest
Territories



Erin Kelly, Ph. D.
President and CEO

The accompanying notes and schedule form an integral part of the consolidated financial statements.

HOUSING NORTHWEST TERRITORIES

Consolidated Statement of Operations and Accumulated Surplus For the year ended March 31, 2025 (in thousands)

	2025	2025	2024
	Budget	Actual	Actual
Revenues			
Government funding:			
Government of the Northwest Territories	\$ 76,870	\$ 87,081	\$ 87,046
CMHC (Note 11)	20,749	26,393	26,511
CIRNAC (Note 12)	-	-	30,050
Other grants and transfers	<u>4,125</u>	<u>1,138</u>	<u>1,235</u>
	<u>101,744</u>	<u>114,612</u>	<u>144,842</u>
Generated revenues:			
Rental revenue	12,632	14,866	13,505
Recoveries from mortgages and loans	475	507	258
Income from portfolio investments	1,940	5,819	6,195
Other revenue and recoveries	419	1,671	2,691
Interest revenue on mortgages and loans	<u>90</u>	<u>62</u>	<u>55</u>
	<u>15,556</u>	<u>22,925</u>	<u>22,704</u>
	<u>117,300</u>	<u>137,537</u>	<u>167,546</u>
Expenses (Note 16)			
Public housing program	72,283	78,933	72,714
Unilateral CMHC programs and other programs	2,638	2,325	2,588
HELP and market housing	8,882	12,211	11,285
Non-residential building operations	552	508	473
Rent subsidy program	2,000	808	382
Homelessness fund program	4,819	8,408	7,339
Homeownership assistance grants	9,385	7,832	9,966
Housing operations and support	<u>20,797</u>	<u>24,928</u>	<u>22,635</u>
	<u>121,356</u>	<u>135,953</u>	<u>127,382</u>
Annual surplus	<u>\$ (4,056)</u>	<u>\$ 1,584</u>	<u>\$ 40,164</u>
Accumulated surplus, beginning of year	<u>474,779</u>	<u>474,779</u>	<u>434,615</u>
Accumulated surplus, end of year	<u>\$ 470,723</u>	<u>\$ 476,363</u>	<u>\$ 474,779</u>

The accompanying notes and schedule form an integral part of the consolidated financial statements.

HOUSING NORTHWEST TERRITORIES

Consolidated Statement of Change in Net Financial Assets For the year ended March 31, 2025 (in thousands)

	2025	2025	2024
	Budget	Actual	Actual
Net financial assets, beginning of the year	\$ 66,086	\$ 66,086	\$ 56,024
Items affecting net financial assets:			
Annual surplus	(4,056)	1,584	40,164
Acquisition of tangible capital assets (Schedule A)	(13,470)	(34,574)	(48,962)
Amortization of tangible capital assets (Note 16, Schedule A)	17,230	18,757	12,809
Loss on disposal of tangible capital assets and write-down	-	639	1,537
Asset retirement cost adjustment (Note 9)	-	286	3,836
Acquisition of inventories held for use	-	(2,338)	(1,987)
Consumption of inventories held for use	-	2,352	2,254
Acquisition of prepaid expenses	-	(81)	(51)
Consumption of prepaid expenses	-	53	462
Increase (decrease) in net financial assets	(296)	(13,322)	10,062
Net financial assets, end of the year	<u>\$ 65,790</u>	<u>\$ 52,764</u>	<u>\$ 66,086</u>

The accompanying notes and schedule form an integral part of the consolidated financial statements.

HOUSING NORTHWEST TERRITORIES

Consolidated Statement of Cash Flow For the year ended March 31, 2025 (in thousands)

	<u>2025</u>	<u>2024</u>
Operating transactions		
Annual surplus	\$ 1,584	\$ 40,164
Items not affecting cash:		
Amortization of tangible capital assets	18,757	12,809
Accretion of asset retirement obligations	2,133	2,215
Non-cash other grants and transfers	-	(4,985)
Loss on disposal of tangible capital assets and write-down	639	1,539
Non-cash portfolio investment income	(504)	(382)
Non-cash mortgage funding adjustments	146	19
Change in valuation allowances	(733)	368
	20,438	11,583
Change in non-cash assets and liabilities:		
Change in accounts receivable	(14,059)	5,185
Change in inventories held for use	11	267
Change in prepaid expenses	(28)	411
Change in accounts payable and accrued liabilities	5,274	882
Change in deferred revenue	(3,565)	24,598
Change in environmental liabilities	(209)	128
Change in retirement, post-employment, and other leave benefits	(69)	71
	<u>(12,645)</u>	<u>31,542</u>
Cash provided by operating transactions	<u>9,377</u>	<u>83,289</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(28,303)</u>	<u>(48,427)</u>
Cash used for capital transactions	<u>(28,303)</u>	<u>(48,427)</u>
Financing transactions		
Repayment of loans payable to CMHC	<u>(711)</u>	<u>(698)</u>
Cash used for financing transactions	<u>(711)</u>	<u>(698)</u>

The accompanying notes and schedule form an integral part of the consolidated financial statements.

HOUSING NORTHWEST TERRITORIES

Consolidated Statement of Cash Flow (continued) For the year ended March 31, 2025 (in thousands)

	<u>2025</u>	<u>2024</u>
Investing transactions		
Proceeds from sale of portfolio investments	30,580	8,000
Acquisition of portfolio investments	(16,427)	(16,002)
Repayments of mortgages and loans receivable	<u>886</u>	<u>505</u>
Cash provided by (used for) investing transactions	<u>15,039</u>	<u>(7,497)</u>
Increase (decrease) in cash and cash equivalents	<u>(4,598)</u>	<u>26,667</u>
Cash and cash equivalents at beginning of the year	<u>88,415</u>	<u>61,748</u>
Cash and cash equivalents at end of the year	<u>\$ 83,817</u>	<u>\$ 88,415</u>

Total interest paid during the year was \$197 (2024 - \$238).

Total interest received during the year was \$4,657 (2024 - \$5,813).

Interest received includes interest revenue on mortgages and loans receivable and interest revenue included in income from portfolio investments.

Cash and cash equivalents are comprised of \$68,130 (2024 - \$88,258) of cash and \$15,687 (2024 - \$157) of cash equivalents.

The accompanying notes and schedule form an integral part of the consolidated financial statements.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

1. PURPOSE OF THE ORGANIZATION

(a) Authority and reporting entity

The passing of Bill 56 on April 1, 2023 to the *Northwest Territories Housing Corporation Act* resulted in renaming of that Act as well as the entity, to Housing Northwest Territories ("Housing NWT"). Housing NWT is a territorial corporation, established under the *Housing Northwest Territories Act* (the "Act") and named in Schedule B of the *Financial Administration Act* (FAA) of the Northwest Territories (NWT). Accordingly, Housing NWT operates in accordance with its Act and regulations, the FAA, and any directives issued to it by the Minister responsible for Housing NWT. Housing NWT is exempt from income tax but is subject to Goods and Services Tax.

Housing NWT's mandate is to ensure, where appropriate and necessary, that there is a sufficient supply of affordable, adequate, and suitable housing stock to meet the housing needs of residents in the NWT. Housing NWT works in partnership with the local communities in the NWT to ensure residents have access to housing that supports a healthy, secure, independent, and dignified lifestyle.

(b) Economic dependence

Housing NWT's public housing program is delivered by twenty-four community-based local housing organizations (LHOs). Each LHO has a board of directors, and management and staff who are responsible for the day-to-day activities associated with the delivery of the program in the communities. Agreements are in place between Housing NWT and the LHOs which outline the roles and responsibilities of each party.

Housing NWT and the LHOs are economically dependent upon the Government of the NWT (the "Government") for the funds required to finance the net cost of their operations and capital acquisitions.

(c) Budget

Budgeted figures have been provided for comparison purposes and have been derived from the Main Estimates approved by the Legislative Assembly.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

The significant accounting policies are as follows:

(a) Measurement uncertainty

The preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards requires Housing NWT to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the consolidated financial statements and accompanying notes. By their nature, these estimates are subject to measurement uncertainty. Actual results could differ significantly from the estimates. The more significant management estimates relate to the provision of asset retirement obligations, the valuation of tangible capital assets transfers, revenue recognition, the allowance for impaired mortgages and loans receivable, the allowance for tenant rent receivables, the useful lives of tangible capital assets, and contingencies.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses, change in net financial assets and cash flows of the reporting entity. The reporting entity is comprised of Housing NWT and the accounts of the following twenty-three LHOs, via consolidation, which are controlled by Housing NWT:

Aklavik Housing Association	Lutsel K'e Housing Authority
Behchokö Kö Gha K'àodèe	Norman Wells Housing Authority
Deline Housing Association	Paulatuk Housing Association
Fort Liard Housing Authority	Radlilh Koe Housing Association
Fort McPherson Housing Association	Sachs Harbour Housing Association
Fort Providence Housing Association	Tsiigehtchic Housing Association
Fort Resolution Housing Authority	Tuktoyaktuk Housing Association
Fort Simpson Housing Authority	Tulita Housing Association
Fort Smith Housing Authority	Ulukhaktok Housing Association
Gameti Housing Authority	Whati Housing Authority
Hay River Housing Authority	Yellowknife Housing Authority
Inuvik Housing Authority	

The Yellowknife Dene First Nation (Housing Division) has been excluded from the reporting entity since it is considered to be part of a separate level of government.

All inter-entity balances and transactions have been eliminated in the preparation of the consolidated financial statements.

(c) Revenue recognition

i) Government transfers

Housing NWT receives funding for operating and capital purposes from the Government.

Housing NWT also receives funding from the Government of Canada for the operation and maintenance of the various public housing programs, the acquisition of public housing and to provide assistance to eligible homeowners and landlords for repair and rehabilitation of properties.

Government transfer revenues are recognized as revenue in the period in which events giving rise to the transfer occurred as long as:

- i. the transfer is authorized;
- ii. eligibility criteria have been met;
- iii. there are no stipulations that give rise to a liability; and,
- iv. a reasonable estimate of the amount can be made.

Transfers received before these criteria are fully met are recorded as a liability.

Housing NWT also sometimes receives transfers of housing units from government entities and third parties for a nominal fee, which are recognized as "Other grants and transfers" on the Consolidated Statement of Operations and Accumulated Surplus. Housing NWT records these transfers consistent with its policy for government transfer revenues above at estimated fair value. Where Housing NWT owns or leases the land that housing units are being constructed on, Housing NWT records the assets and the related transfer revenues as the housing units are being built on a percentage of completion basis.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

ii) General revenues

Under revenues there are two categories of transactions – exchange and non-exchange. If the transaction gives rise to one or more performance obligations, it is an exchange transaction. If no performance obligations are present, it is a non-exchange transaction. There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when a performance obligation is satisfied.

Revenues from transactions with performance obligations occur when there is an enforceable promise to transfer goods or services directly to a payor in return for promised consideration. These revenues are recognized when control of the benefits associated with the goods or services have transferred and there is no unfulfilled performance obligation. Where consideration is received from a payor prior to the provision of goods or services, these amounts are initially included in deferred revenue provided the definition of a liability is met. They are subsequently recognized as revenue as performance obligations are met.

Rental income is comprised of rent charged to tenants for use of a housing unit. The service is provided over the month through use of the housing unit and is a separate performance obligation. Once the term of the month has passed, the performance obligation is fulfilled and the associated rent for that month is recognized as revenue. Amounts collected in advance of the related month are recorded as deferred revenue.

(d) Programs

i) Contributions for public and affordable housing (HELP and market housing programs)

Housing NWT provides income-based subsidies for the rental of housing for residents in need. Housing NWT provides financial, administrative, maintenance, construction and repair to its public and affordable housing units. Housing NWT operates public housing units located in NWT communities.

ii) Contributions for unilateral Canada Mortgage and Housing Corporation (CMHC) programs and other programs

Housing NWT provides subsidy assistance to various non-profit housing sponsor groups and co-operatives in accordance with operating agreements, which set out the basis on which eligibility for subsidy assistance will be determined. These expenditures are recognized based on actual or estimated costs incurred by each sponsor group in the year.

iii) Homeownership assistance grants

Housing NWT, under section 44(1) of its Act, may make a homeownership assistance grant in the form of a forgivable loan to eligible homeowners on terms and conditions that may be imposed by Housing NWT. The property must remain the principal residence and the annual income must remain below the core need income threshold for the term of the agreement. The conditional grants, which vary in amount depending on the income and/or community of the applicant and are not expected to be repaid unless certain conditions are not met, and expensed in the year the grant is approved. Any recoveries on the conditional grants are recognized in the year the amount is recovered from the recipient.

Housing NWT has not since 2007 provided any new repayable mortgages/loans or loan guarantees to eligible homeowners under its Homeownership Assistance program.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances net of outstanding cheques and short-term investments that have terms to maturity of less than or equal to 90 days from the date of acquisition. Included in cash are tender and security deposits from contractors on construction projects and rental housing damage deposits held in trust.

(f) Portfolio investments

Portfolio investments are investments in debt securities of organizations that do not form part of the reporting entity and are accounted for using the amortized cost method.

Investment income is recognized on the accrual basis; premiums and discounts arising on purchase are amortized over the term of the respective investment, and capital gains and losses are recognized when realized. When there has been a loss in value of a portfolio investment that is other than a temporary decline, the investment is written down to recognize the loss.

(g) Mortgages and loans receivable

The net carrying amount of the mortgages and loans receivable represents the present value of the expected future principal and interest payments to be received, net of the grants provided to the borrowers, any restructuring costs, and the allowance for impairment. Interest income on mortgages and loans receivable is recognized when earned. The effective interest method is used to recognize interest income. Any costs related to a mortgage or loan restructuring are expensed in the year of the restructuring.

Valuation allowances for impaired loans are established by management based on past events, current conditions and all circumstances known at the date of the preparation of the consolidated financial statements and are adjusted annually to reflect the current circumstances by recording write downs or recoveries, as appropriate. Mortgages are classified as impaired when Housing NWT no longer has reasonable assurance of timely collection of the full amount of principal and interest due. The valuation allowance adjusts a mortgage's carrying value to its net recoverable value. Valuation allowance writedowns are recognized when the loans have been deemed uncollectable. Valuation allowance recoveries are recorded when loans previously written down are subsequently collected or when loans revert to a performing status. Interest revenue is not accrued when the collectability of either principal or interest is not reasonably assured.

Borrowers in arrears may choose to settle their obligation with a quit claim. A quit claim is an agreement between the owner of a housing unit and Housing NWT to transfer ownership of the housing unit back to Housing NWT for a nominal fee. The fair value of the housing unit acquired through the quit claims process is determined to be the original purchase price or construction costs (if available) less amortization from the original purchase date to the date the quit claim occurred. This is considered to be a reasonable estimate of the fair value of the assets recovered. Quit claim units are evaluated for suitability for delivery of programs and if suitable are added to tangible capital assets at a value as described above. Where suitability criteria are not met the units are disposed of by sale to a third party or demolished and are written down to their residual value if any.

(h) Loan guarantees

An obligation and expense is recognized related to a loan guarantee when it is likely that a loss will be incurred, and the amount of the loss can be reasonably estimated. When estimating the amount of contingent loss, management considers the value of any security (properties) which could be sold to cover the loan guarantee. Provisions for losses are reviewed annually.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Asset retirement obligations

A liability for an asset retirement obligation (ARO) is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for Housing NWT to incur retirement costs, a 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 the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an ARO incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an ARO are expected to occur over extended future periods. The discount rate used reflects Housing NWT's cost of borrowing associated with the estimated number of years to complete the retirement or remediation.

When a liability for an ARO is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset and amortized consistent with the tangible capital asset policy discussed below. An ARO may arise in connection with a tangible capital asset that is not recognized or no longer in productive use. In this case, the asset retirement cost would be expensed.

At each financial reporting date, the carrying amount of the liability is reviewed. Housing NWT recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. Once the related tangible capital asset is no longer in productive use, changes to the liability are recognized as an expense in the period they are incurred. Housing NWT continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when made.

(j) Tangible capital assets

i) Land and buildings

Land and housing units constructed or purchased by Housing NWT are recorded at cost. Housing materials are also recorded at cost and included in work in progress.

Tangible capital assets transfers are recorded at their estimated fair value at the date of contribution.

When Housing NWT enters into lease agreements where the risks and benefits of ownership are transferred to Housing NWT, the public and affordable (HELP and market) housing units are recorded as capital leases. In such cases, the cost of the asset is determined as the discounted net present value of the minimum lease payments and is amortized using the straight-line method over the lease term. Obligations recorded under capital leases are reduced by rental payments net of imputed interest and executory costs.

Housing units are amortized at an annual rate of 5% on a declining balance basis. Amortization begins in the year the housing unit is placed into service. Work in progress is not amortized.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

ii) Property and equipment

Property and equipment are stated at cost. Amortization is provided using the following methods and annual rates:

Warehouses and offices	Declining balance	5%
Office furniture and equipment	Declining balance	20%
Mobile equipment	Declining balance	20%
Software	Straight-line over 10 years	
Leasehold improvements	Straight-line over term of lease	

(k) Inventories held for use

Inventory held for use consists of materials and supplies to be used for the maintenance or minor modifications of buildings. The inventory is valued on a weighted average basis at the lower of cost and replacement value.

(l) Employee future benefits

i) Pension Benefits

(a) Public Service Pension Plan

All eligible employees of Housing NWT are covered in the Public Service Pension Plan (the "Plan") a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and Housing NWT to cover current service cost. Housing NWT's contributions are charged as an expense on a current year basis and represent the total pension obligations. Housing NWT is not required under present legislation to make contributions with respect to actuarial deficiencies of the Plan.

(b) Northern Employee Benefits Service (NEBS) Pension Plan

Eligible employees of the following LHOs are covered by the NEBS. This plan is a multi-employer contributory defined benefit plan and accordingly contributions are expensed as incurred. NEBS is a member-owned, not-for-profit corporation that sponsors an insurance and health care benefits plan and a pension plan for public sector employees in the north.

Behchokö Kö Gha K'àodèe	Inuvik Housing Authority
Deline Housing Association	Lutsel K'e Housing Authority
Fort McPherson Housing Association	Radlilh Koe Housing Association
Fort Resolution Housing Authority	Tulita Housing Association
Fort Simpson Housing Authority	Whati Housing Authority
Fort Smith Housing Authority	Yellowknife Housing Authority
Gameti Housing Authority	

NEBS establishes contribution rates for participating employers/employees, and contributions are remitted to NEBS on a regular basis throughout the year.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee future benefits (continued)

ii) Retirement, post-employment, and other leave benefits

Under the terms and conditions of employment, government employees may earn non-pension benefits for resignation, retirement and removal costs. Eligible employees earn benefits based on years of service to a maximum entitlement based on terms of employment. Eligibility is based on a variety of factors including place of hire, date employment commenced, and reason for termination. Benefits entitlements are paid upon resignation, retirement or death of an employee.

The expected cost of providing these benefits is recognized as employees render service. Termination benefits are also recorded when employees are identified for lay-off. Compensated absences including sick, special, parental and maternity leave. Accumulating non-vesting sick and special leave are recognized in the period the employee provides service, whereas parental and maternity leave are event driven and are recognized when the leave commences. An actuarial valuation of the cost of these benefits (except maternity and parental leave) has been prepared using data provided by management and assumptions based on management's best estimates.

(m) Environmental liabilities

Contaminated sites are a result of contamination that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. Housing NWT is directly responsible or accepts responsibility;
- iv. it is expected that future economic benefits will be given up; and
- v. a reasonable estimate of the amount can be made.

(n) Related party transactions

Housing NWT is related to all Government of the Northwest Territories departments, territorial corporations and public agencies, and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Housing NWT. Significant transactions with related parties and balances at year-end are disclosed separately in the consolidated financial statements and notes thereto.

i) Inter-entity transactions

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions are recorded on a gross basis and are measured at the carrying amount, except for the following: when inter-entity transactions are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where costs provided are recovered, they are measured at the exchange amount.

ii) Other related party transactions

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

iii) Services provided without charge

Housing NWT receives services provided by the Government without charge which include legal, human resource and other services. Housing NWT does not recognize any amounts related to these services.

3. PORTFOLIO INVESTMENTS

	<u>2025</u>	<u>2024</u>
Marketable securities (fair value \$57,033; 2024 - \$69,483)	\$ <u>56,778</u>	\$ <u>70,426</u>

4. ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Tenant rents receivable, before allowance of \$10,240 (2024 - \$10,061)	13,819	13,363
Trade accounts receivable, before allowance of \$1,157 (2024 - \$1,386)	\$ <u>7,948</u>	\$ <u>6,399</u>
	21,767	19,762
Less allowance for doubtful accounts	<u>(11,397)</u>	<u>(11,447)</u>
	10,370	8,315
Receivables from CMHC	10,576	997
Other receivables from Government of Canada	110	60
Receivables from related parties:		
Government of the Northwest Territories	<u>4,250</u>	<u>1,825</u>
	\$ <u>25,306</u>	\$ <u>11,197</u>

Tenant rents receivable of \$1,330 (2024 - \$761) were forgiven during the year.
Trade accounts receivable include GST receivable of \$5,193 (2024 - \$4,125).

5. MORTGAGES AND LOANS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Housing NWT's mortgages and loans to individuals are receivable over a maximum of 25 years, some of which are unsecured and others are secured by registered charges against real property, bearing fixed interest rates between 0.00% and 10.50% (2024 - 0.00% and 10.50%).	\$ 8,908	\$ 9,941
Less allowance for impaired mortgages and loans receivable	<u>(5,999)</u>	<u>(6,683)</u>
	\$ <u>2,909</u>	\$ <u>3,258</u>

There were 20 accounts forgiven in the current year totaling \$1,195 (2024 - 33 accounts totalling \$1,235).

Of the accounts forgiven, 15 accounts totalling \$882 (2024 - 29 accounts totalling \$997) are related to forgivable loans that were expensed in prior years.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2025</u>	<u>2024</u>
Trade payables	\$ 19,199	\$ 14,323
Contractor holdbacks	4,527	3,657
Wages and employee benefits	2,833	2,463
Damage deposits	2,588	2,553
Tender and security deposits	381	591
Accrued interest	51	51
Payables to related parties:		
Government of the Northwest Territories	<u>10,670</u>	<u>5,068</u>
	<u>\$ 40,249</u>	<u>\$ 28,706</u>

7. DEFERRED REVENUE

Deferred revenue of \$21,359 (2024 - \$24,924) is mainly comprised of CMHC Rapid Housing Initiative (RHI) - project stream to build a 50 unit apartment building in amount of \$16,420 (2024 - \$19,141), CMHC Rapid Housing Initiative (RHI) - city stream to repair a 36 unit apartment building in amount of \$3,695 (2024 - \$4,885), City of Yellowknife funding for housing Addictions Recovery Program (THARP) in the amount of \$0 (2024-\$529) and Climate Change Preparedness funding to be used to complete a Climate Change Risk Assessment of Housing NWT's assets in the amount of \$270 (2024 - \$0)

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

8. LOANS AND MORTGAGES PAYABLE TO CMHC

	2025			2024
	Debt balance	CMHC funded portion	Net debt balance	Net debt balance
Mortgages payable to CMHC (NHA Section 79 debt), repayable in monthly or quarterly installments, maturing from 2026 to 2039, at interest rates from 7.63% to 19.00% (2024 - 7.63% to 19.00%).	\$ 16,768	\$ (16,768)	\$ -	\$ -
Loans payable to CMHC (NHA Section 82 debt), repayable in annual installments until the year 2033, bearing interest of 6.97% (2024 - 6.97%). These loans are guaranteed by the Government.	5,226	(2,903)	2,323	2,888
Mortgages payable to CMHC for housing projects acquired from third parties in accordance with the provisions of the SHA related to third party loans, maturing in 2026 and 2027, at interest rates from 0.68% to 1.01%, (2024 - 0.68% to 1.01%).	<div style="text-align: right; margin-bottom: 5px;">252</div> <div style="text-align: right; border-top: 1px solid black;">22,246</div>	<div style="text-align: right; margin-bottom: 5px;">-</div> <div style="text-align: right; border-top: 1px solid black;">(19,671)</div>	<div style="text-align: right; margin-bottom: 5px;">252</div> <div style="text-align: right; border-top: 1px solid black;">2,575</div>	<div style="text-align: right; margin-bottom: 5px;">398</div> <div style="text-align: right; border-top: 1px solid black;">3,286</div>

Under the terms of the 1999 Social Housing Agreement (SHA), CMHC originally provided funding to Housing NWT to build public housing assets in the form of long-term mortgages payable to CMHC (referred to as *National Housing Act* (NHA) Section 79 debt under the SHA) and loans payable to CMHC (referred to as NHA Section 82 debt under the SHA). Under the SHA, CMHC also agreed to provide additional funding to Housing NWT to reduce 100% of the NHA Section 79 debt and to reduce by 5/9th the NHA Section 82 debt, and to fund the related interest repayments that Housing NWT would make each year to CMHC. This additional funding receivable from CMHC and the related payments due by Housing NWT each year on the long-term debt payable to CMHC are offset, resulting in no exchange of cash between Housing NWT and CMHC.

Had CMHC not funded the repayments of the debt principal and interests payable to CMHC, Housing NWT would have incurred additional interest expense of \$2,496 (2024 - \$2,647) and would have made additional principal debt repayments to CMHC of \$1,586 (2024 - \$1,519).

The above mortgages and loans payable to CMHC are not secured.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

8. LOANS AND MORTGAGES PAYABLE TO CMHC (continued)

Principal repayments and interest requirements over the life of the outstanding loans are as follows:

	Principal	Interest	Total
2026	\$ 695	\$ 166	\$ 861
2027	638	126	764
2028	458	88	546
2029	324	56	380
2030 -2033	460	66	526
	<u>\$ 2,575</u>	<u>\$ 502</u>	<u>\$ 3,077</u>

9. ASSET RETIREMENT OBLIGATIONS

AROs include estimated remediation costs to remove asbestos and lead from buildings. The amount recognized is the net present value of estimated future expenditures required to fund the decommissioning of the assets. The obligation is calculated using the current estimated costs to retire the asset inflated to the estimated retirement date and discounted to current present value. The retirement obligation is being provided for over the accreted value from the initial obligation to the end of the useful life of the asset. Future retirement expenditures will be charged against the accumulated liability as incurred.

Following is a summary of the key assumptions upon which the carrying amount of the ARO is based:

- Total expected future cash flows - \$90,683 (2024 - \$90,773)
- Expected timing of payments of the cash flow - asset removal and/or site remediation is expected to occur between 2026 and 2054 (2024 - 2026 and 2054) with the majority occurring after 2038 (2024 - 2038).
- The discount rate is the year-end cost of borrowing of 4.57% (2024 - 4.57%).
- The inflation rate is based on the Bank of Canada's targeted inflation rate of 2.00% (2024 - 2.00%).

This provision is highly sensitive to the discount rate and inflation rate used.

- A 1% increase in the discount rate would decrease the obligation by \$5,394
- A 1% decrease in the discount rate would increase the obligation by \$6,326
- A 1% increase in the inflation rate would increase the obligation by \$6,431
- A 1% decrease in the inflation rate would decrease the obligation by \$5,567

Following is a summary of the ARO:

	2025	2024
Opening Balance	\$ 46,931	\$ 48,552
Accretion expense	2,133	2,215
Valuation adjustment	(286)	(3,836)
Balance, end of year	<u>\$ 48,778</u>	<u>\$ 46,931</u>

The valuation adjustment is comprised of:

- \$46 (2024 - \$0) decrease due to 2% increase in remediation costs.
- \$0 (2024 - \$4,401) decrease due to no change (2024: - 0.65%) in discount rate.
- \$240 decrease (2024 - \$73) due to the disposition of assets where no remediation was required and the liability is now extinguished.
- \$0 increase (2024 - \$638) due to new liabilities incurred through acquisitions of buildings.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

10. ENVIRONMENTAL LIABILITIES

Housing NWT has identified twelve fuel spill sites and no other contaminated sites (2024 - fourteen fuel spill sites and no other contaminated sites) for which an environmental liability has been recorded. There were three sites (2024 - one site) that closed during the fiscal year. One new sites (2024 - two) were identified during the year. The liability is calculated as costs remaining to remediate the sites to the required environmental standard. The estimated amount of recoveries is nil (2024 - nil). Housing NWT has not identified any sites where an environmental liability may exist but no liability has been recorded.

11. FUNDING FROM CMHC

	<u>2025</u>	<u>2024</u>
Funding from CMHC recognized as government funding under the:		
SHA:		
Contributions for public housing rental subsidies	\$ 6,332	\$ 6,861
Contributions to non-profit housing sponsor groups and cooperatives	2,442	3,251
Repairs, maintenance and other costs	4,321	1,909
Rapid Housing Initiative	2,722	1,660
Aspen Building	-	4,160
Bilateral Agreement	10,526	8,670
Other	<u>50</u>	<u>-</u>
	26,393	26,511

Under the terms of the SHA, Housing NWT assumed full responsibility for the management of various public housing programs specified in the SHA. CMHC provides annual funding to Housing NWT to manage these programs. The SHA and the funding expire in 2039 (Note 13).

On April 1, 2018, Housing NWT signed the Bilateral Agreement under the 2017 NHS. Funding under this agreement is provided to increase access to housing, reduce housing needs, and achieve better housing solutions. An action plan for the 3 year period 2023-2026 has been developed, within the Bilateral Agreement parameters, with a priority of focusing on maintaining or increasing social housing stock, replacing existing housing stock, and providing homeownership repair programs. The Bilateral Agreement funding expires in 2028 (Note 13).

12. FUNDING FROM CROWN-INDIGENOUS RELATIONS AND NORTHERN AFFAIRS CANADA (CIRNAC)

On May 10, 2023, Housing NWT signed the CIRNAC Agreements with the Government of Canada to provide one-time funding in the amount of \$0 (2024 - \$30,050). Funding under these agreements are provided to assist with financing of expenditures related to infrastructure including housing needs.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

13. CONTRACTUAL RIGHTS

	Expiry Date	2026	2027	2028	2029	2030+	Total
CMHC SHA	2039	\$ 8,394	\$ 7,346	\$ 5,753	\$ 4,376	\$ 16,388	\$ 42,257
CMHC Bilateral	2028	13,327	14,786	16,177	-	-	44,290
RCMP Lease	2044	1,754	1,754	1,754	1,754	23,840	30,856
Other Lease	2030	<u>542</u>	<u>335</u>	<u>280</u>	<u>281</u>	<u>-</u>	<u>1,438</u>
		<u>\$ 24,017</u>	<u>\$ 24,221</u>	<u>\$ 23,964</u>	<u>\$ 6,411</u>	<u>\$ 40,228</u>	<u>\$118,841</u>

14. CONTRACTUAL OBLIGATIONS

Housing NWT leases office space and rents supplemental public housing units and is committed to basic rental payments. The leases contain escalation clauses for operating costs and property taxes, which may cause the payments to exceed the basic rental. Also included in the 2026 contractual obligations are capital construction commitments for housing construction projects with contracts signed prior to year-end.

	Expiry Date	2026	2027	2028	2029	2030+	Total
Lease	2040	\$ 3,665	\$ 2,961	\$ 2,798	\$ 1,555	\$ 1,241	\$ 12,220
Construction	2026	<u>65,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,960</u>
		<u>\$ 69,625</u>	<u>\$ 2,961</u>	<u>\$ 2,798</u>	<u>\$ 1,555</u>	<u>\$ 1,241</u>	<u>\$ 78,180</u>

15. CONTINGENCIES

Housing NWT provided guarantees to banks in financing certain new or renovated residential housing construction. As at March 31, 2025 a total of four (2024 - five) loan guarantees were in effect, and the outstanding balance of loans guaranteed was \$115 (2024 - \$151). All of these loans are secured by registered charges against real property. The period covered by these guarantees extends up to 2028 (2024 - 2028).

Under the terms of the SHA with CMHC, Housing NWT is responsible for the administration of a number of loans to third parties, where CMHC is the lender or insurer of these loans. The agreement provides that Housing NWT shall indemnify and reimburse CMHC for and save it harmless from all losses, cost and expenses related to these loans. The outstanding balance of these third party loans as at March 31, 2025 was \$1,405 (2024 - \$2,178). The period covered by these related loans extends up to 2029.

The outstanding balances represent the maximum amount of future loan principal payments under the guarantees and indemnities. In the event of default by the borrowers, the lenders could request payment from Housing NWT. The obligation under loan guarantees as at March 31, 2025 is nil (2024 - nil).

Housing NWT has various pending legal matters the outcome of which is not determinable. In the opinion of management, these matters are not expected to have a material effect on Housing NWT's financial position or results of operations. To avoid prejudicing ongoing legal matters no further information is disclosed.

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

16. EXPENSES BY OBJECT

	<u>2025</u>	<u>2024</u>
Amortization	\$ 18,757	\$ 12,809
Accretion of AROs	2,133	2,215
Compensation and benefits	36,764	34,419
Computer costs	55	57
Contract services	8,619	8,141
Controllable assets	374	352
Fees and payments	276	372
Grants and contributions	17,465	18,268
Interest on long-term debt	197	238
Loss on disposal of tangible capital assets	639	1,539
Materials and supplies	3,965	4,099
Minor modernization and improvements	5,581	4,512
Other expenses	1,917	1,906
Property taxes and land leases	2,894	2,706
Purchased services	724	587
Rental leasing	4,072	4,152
Travel	688	944
Utilities	<u>30,833</u>	<u>30,066</u>
	<u>\$ 135,953</u>	<u>\$ 127,382</u>

Public Service Pension Plan

Total employer contributions to the Public Service Pension Plan of \$1,643 (2024 - \$1,431) and to the NEBS of \$398 (2024 - \$514) were recognized as an expense in the current year. Total employee contributions were \$1,496 and \$398 respectively (2024 - \$1,319 and \$515).

17. FINANCIAL RISK MANAGEMENT

Housing NWT's financial instruments consist of cash and cash equivalents, portfolio investments, accounts receivable, mortgages and loans receivable, accounts payable and accrued liabilities, and loans payable to CMHC and are measured at amortized cost. Housing NWT has exposure to the following risks from its use of financial instruments:

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

17. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities or cash outflow obligations as they come due. Housing NWT manages its liquidity risk by maintaining adequate cash balances and investing in money market instruments. These instruments are readily convertible into known amounts of cash. Housing NWT does not believe that it will encounter difficulty in meeting its future obligations associated with its financial liabilities. The table below shows when various financial liabilities mature.

Financial Liabilities	Up to 1 year	1 to 5 years	Over 5 years	Total
Accounts payable and accrued liabilities	\$ 40,249	\$ -	\$ -	\$ 40,249
Loans and mortgages payable to CMHC	861	1,918	298	3,077
Total financial liabilities	\$ <u>41,110</u>	\$ <u>1,918</u>	\$ <u>298</u>	\$ <u>43,326</u>

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Housing NWT is exposed to credit risk on its cash and cash equivalents, portfolio investments, accounts receivable and mortgages and loans receivable.

Housing NWT manages its credit risk on cash and cash equivalents and portfolio investments by dealing only with reputable and credit worthy financial institutions. The maximum exposure to credit risk held in cash and cash equivalents and portfolio investments is \$140,595 (2024 - \$158,841).

In order to manage credit risk on accounts receivable, Housing NWT actively monitors the age of accounts receivable and initiates collection action. The maximum exposure to credit risk in accounts receivable is \$25,306 (2024 - \$11,197). \$14,936 of the accounts receivable (2024 - \$2,882) is receivable from governments and government entities. These balances are not considered to be a credit risk.

In order to manage credit risk on mortgages and loans receivable, Housing NWT actively monitors mortgage and loan payments and works with borrowers to develop payment plans to resolve outstanding arrears issues. The maximum exposure to credit risk in mortgage and loans receivable is \$2,909 (2024 - \$3,258).

As at March 31, 2025, \$800 (2024 - \$890) of the impaired mortgages and loans are secured by homes Housing NWT has the ability to sell or use in its operations in order to satisfy borrowers' commitments. The fair value of the security is not readily determinable.

As at March 31, 2025, the following financial assets were past due but not impaired:

Financial assets	30 to 60	61 to 90	90+	Total
Tenants rent receivable	\$ 272	\$ 297	\$ 2,468	\$ 3,037
Trade accounts receivable	2	-	259	261
Mortgages and loans receivable	173	81	2,124	2,378

HOUSING NORTHWEST TERRITORIES

Notes to Consolidated Financial Statements For the year ended March 31, 2025 (in thousands)

17. FINANCIAL RISK MANAGEMENT (continued)

Market risk

Housing NWT does not face cash flow interest rate risk on its loans payable to the CMHC because these interest rates are fixed for the full term of the loans. Because Housing NWT accounts for these loans at amortized cost, a change in interest rates would not affect the consolidated statement of operations and accumulated surplus with respect to these loans payable.

18. RELATED PARTY TRANSACTIONS

Housing NWT enters into transactions with related parties in the normal course of business under terms and conditions similar to those with unrelated parties. Balances receivable and payable resulting from transactions that Housing NWT had with related parties during the year are disclosed in Notes 4 and 6.

	<u>2025</u>	<u>2024</u>
Related party expenses		
Arctic Energy Alliance	\$ 50	\$ 50
Aurora College	-	10
Fuel Services Division	4,172	4,278
Government of the Northwest Territories Departments	3,364	4,345
Northwest Territories Power Corporation	<u>7,568</u>	<u>7,347</u>
	<u>\$ 15,154</u>	<u>\$ 16,030</u>

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year.

HOUSING NORTHWEST TERRITORIES

Consolidated Schedule of Tangible Capital Assets As at March 31, 2025 (in thousands)

Schedule A										
Net Book Value (NBV)										

(1) Included in disposals is the asset retirement cost adjustment of \$95 (2024 - \$3,778).

(2) Not included in acquisition of tangible capital assets on the Consolidated Statement of Cash flow are non-cash items of \$6,269 (2024 - \$4,985).

(3) There were no capital leases as at March 31, 2025

