CreateTO 2025 Financial Results

Board Presentation
April 27, 2026

CREATE TO

Transforming
Toronto's Real Estate

CreateTO Background: Source of Funds

2025 total gross operating expenses were $20.0 million [1]

- Total income generated across all three entities, of $29.9 million, exceeds CreateTO's operational costs.

- Sources of income:
  1. **TPLC income** → $19.4 million
     - Ability to cover 97% of CreateTO's operating expenses. However, money is retained in TPLC to support capital projects and future commitments.
  2. **City Capital** → $5.6 million
  3. **BT income** [2] → $4.9 million in 2025

<u>*Footnotes:*</u>

1 – Gross expenses represents costs before chargebacks of $5.6 million. Total operating expenses less chargebacks are $14.4 million.

2 – BT income is generated primarily through interest income.

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CreateTO Background: How we charge

- **Port Lands management fee** - $6.1 million
  - Based on budgeted staff time spent to advance TPLC initiatives.
- **Capital Project Chargebacks** - $5.6 million
  - Based on actual staffing time spent on key city capital projects and initiatives.
- **Advisory and Operations management fee** - $8.2 million
  - Residual value which reflects day-to-day operating activities, efforts to advance early-stage investigative work on housing projects, and advisory work performed to explore, address, and solution real estate requests from Divisions, Agencies, Corporations, City Council and City leadership.

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CreateTO Background: Our role and what we do

1. **Provide Real Estate Solutions to City Divisions, Agencies & Corporations**
    - Strategic capacity planning for DAC’s (i.e. Paramedic Services)
    - Respond to client requests for short and long-term real estate strategies
    - Provided advice related to portfolio wide strategies (i.e. TPA)
2. **Delivering Affordable Housing**
    - 7 sites under construction
    - 3 Market offerings
3. **Transforming the Port Lands**

    CreateTO leads the stewardship of the Port Lands to maximize revenue, job creation and strategic investment in infrastructure and public realm

    - Manage 400 acres of land supporting 70 tenancies
    - Precinct level planning – McCleary District
    - Support development of new communities – Ookwemin Minising
    - Leading Project Management & Construction delivery at Jack Layton Ferry Terminal
    - Named City’s Asset Manager for the Citywide Dockwall Resilience Program

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2025 Financial Results

- For the year ended December 31, 2025, net expenditures were $14.41 million. This represents a $0.98 million favourable variance to budget.
- CreateTO is a self-sustaining agency and operates on a net zero basis.

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Financial Impact - Results

Table 1: 2025 Financial Results

(in millions)	Actual $	Budget $	Variance $
Revenue			
Advisory & operations management [1]	8.28	9.26	(0.98)
Port Lands management [2]	6.13	6.13	-
	14.41	15.39	(0.98)
Expenditures			
Salaries and benefits [3]	12.77	13.28	0.51
Office services and other	1.10	1.11	0.01
Professional fees [4]	0.24	0.35	0.11
Marketing & promotion	0.21	0.25	0.04
Project investigative costs [5]	0.09	0.40	0.31
	14.41	15.39	0.98
Net Income	-	-	-

KPMG Audit Findings

- KPMG audited to a $360,000 Materiality, with an Audit Misstatement Posting Threshold of $18,000.
- KPMG delivered an Unqualified Audit Opinion

Materiality

$360K

(2024: $412K)

Benchmark: Total Expenditures

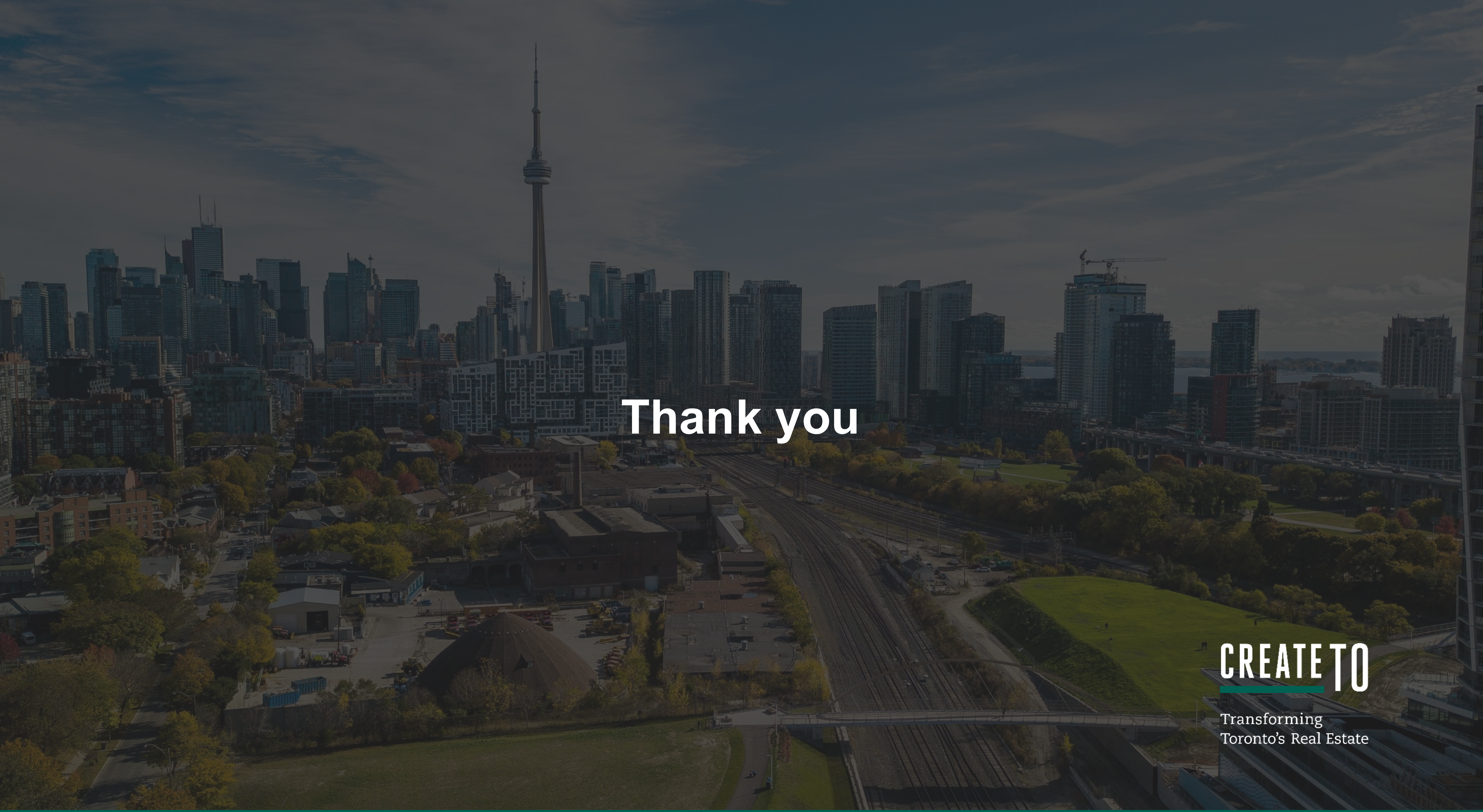
$14,700,000

(2024: $16,558,402)

Audit Misstatement Posting Threshold (AMPT)

$18,000

(2024: $20,600)



Thank you

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