



Housing Services Notice

Date: August 7, 2014

HSN#: 2014-08

This applicable legislation/policy is to be implemented effective this date by the housing provider(s) under the following programs:

Please note, if your program is **not checked**, this change is **not applicable** to your project.

- Federal Non-Profit Housing Program
- Federal Section 26/27 Housing Program
- Federal Urban Native Non-Profit Housing Program
- Private Non-Profit Housing Program
- Municipal Non-Profit Housing Program (Pre-1986)
- Local Housing Corporation
- Local Housing Corporation—Rent Supplement Programs
- Nipissing District Housing Registry

Subject: 2015 Minimum Market Rent for Municipal Non-Profits

Reference:

- *Social Housing Notification Release 14-03*

Background:

Starting with the 1997 fiscal year, the Ministry developed an annual Rent Inflation Factor, which is to be used in the calculation of subsidy for projects subsidized under the Municipal Non-Profit Program (1978-1985). The Rent Inflation Factor is used to determine the Minimum Market Rent that is expected to be charged. If a non-profit housing provider does not increase market rents by this rent inflation factor, it will be subject to a reduction in subsidy.

Non-Profit's Responsibility

The applicable Rent Inflation Factor is inserted on line 441, page 3a, of the Municipal Non-Profit Operating Budget Form 819 (01/95). When used in the budget form, the factor is expressed as 1 plus a decimal number (e.g. 2.30% would be expressed as 1.0230). The Rent Inflation Factor

is then multiplied by the actual market rents charged in 2014 to determine the Minimum Market Rent for 2015.

If a provider feels that it cannot charge market rents at this Minimum Market Rent level, an application may be made to the DNSSAB for an exemption when the 2015 budget is submitted. The application must include supporting evidence to clearly demonstrate the inability to charge the Minimum Market Rent.

Action: Municipal Non-Profit Housing Corporations are to use the 2015 Rent Inflation Factors to determine the Minimum Market Rent level for the 2015 market rents.

If an exemption from the Minimum Market Rent level is required, an application must be submitted along with the 2015 budget. The application must include evidence to clearly support the inability to charge the Minimum Market Rent.

2015 Rent Inflation Factors

| REGION | APARTMENTS | TOWNHOUSES |
|----------------|------------|------------|
| STURGEON FALLS | 1.016 | 1.016 |
| NORTH BAY | 1.016 | 1.016 |

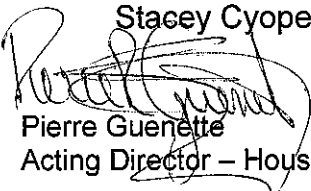
If you have any questions or concerns regarding this or any other Housing Services Notice, please contact the Housing Services Administrator assigned to your portfolio:

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Attachments: 2015 Rent Inflation Factors
Facteurs d'inflation du loyer de l'an 2015