

## SCHEDULE A

### INVESTMENT IN AFFORDABLE HOUSING FOR ONTARIO (2014 Extension)

#### Rental Housing Component

#### 1. INTERPRETATION

1.1 In this Schedule, unless the context requires otherwise,

- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Affordability Period”** means the period during which the average rent in a Project is required to be maintained at an affordable level, as determined in accordance with the Program Guidelines or as otherwise established by the Minister;
- **“Affordable Housing”** means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve rent levels in accordance with the Program Guidelines, but does not include residential premises used as a nursing home, retirement home, shelter, crisis care facility or any other type of similar facility;
- **“Average Market Rents”** means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the Minister, based on available data, in areas where there is no or insufficient information from the CMHC Average Market Rent Survey;
- **“Conditional Letter of Commitment”** means the letter issued by the Minister confirming approval of the Project and setting out the amount, terms and conditions of Funding allocated to the Proponent;
- **“Contribution Agreement”** means an agreement entered into by the Service Manager or another party contributing to the Project and an approved Proponent for contributions under the Program;
- **“Contributions by Others”** means cash or in-kind eligible contributions from Service Managers, municipalities, housing providers, the private sector, the voluntary sector, charities and

individual donors, to be used in accordance with a Program or Programs under this Agreement. Contributions by Others does not include: contributions from any Government of Canada sources, including, but not limited to arrangements with CMHC; nor contributions under any program wholly or partially funded from Government of Canada sources; nor contributions which receive credit under any arrangement with CMHC or the Government of Canada outside this Agreement;

- **“Development Activities”** means those activities which are normally undertaken for the development, construction, repair, renovation, rehabilitation or conversion of buildings for residential purposes, including the acquisition of property;
- **“Funding”** means funding provided under the Program, as set out in the Program Guidelines;
- **“Funding Schedule”** means the schedule of funding setting out progress payments for the type of Project to be undertaken by a Proponent, in the form determined by the Minister;
- **“Housing”** means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- **“Occupancy Date”** means the date on which occupancy of all Units in a Project is permitted;
- **“Phase-out Period”** means the last five (5) year period of the Affordability Period;
- **“Program”** means the Rental Housing Component described in the Program Guidelines;
- **“Program Guidelines”** means the Program Guidelines for the IAH (2014 Extension) Components;
- **“Project”** means Affordable Housing proposed or approved for the Program, as the context may require;
- **“Project Information Form”** means the form submitted by the Service Manager to the Minister for consideration of a Project;

- **“Proponent”** means a person or other legal entity that has submitted a Proposal;
- **“Proposal”** means the proposal to participate in the Program, submitted to the Service Manager;
- **“Rental Component”** means the Rental Housing Component described in the Program Guidelines;
- **“Unit”** means a self-contained residential dwelling, including, without limiting the generality of the foregoing, (i) supportive rental Housing where service funding is secured from sources other than Funding provided under the Program; (ii) multi-bedroom units which are used for congregate living; and (iii) disabled/accessible units.

1.2 The following Appendices are attached to and form part of this Schedule:

- Appendix A - Proponent’s Initial Occupancy Report;
- Appendix B - Proponent’s Annual Occupancy Report;
- Appendix C - Service Manager’s Annual Report;
- Appendix D - Rental Protocol;
- Appendix E - Confirmation of Construction Start;
- Appendix F - Confirmation of Employment of Apprentices.

1.3 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.

1.4 All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.

## **2. REQUIREMENTS FOR PARTICIPATING IN THE RENTAL HOUSING COMPONENT**

2.1 Prior to the Service Manager participating in the Rental Housing Component:

- (a) the Service Manager shall ensure that the general property tax applicable to Units built under the Program is in accordance with the criteria set out in the Program Guidelines;
- (b) the Service Manager shall establish initial income limits, at levels which it considers appropriate, which it shall apply as a requirement for all applicants for tenancies of Units. The Service Manager may apply annual income testing as a requirement for tenants during the term of their tenancies or upon any lease

renewal or extension. The Service Manager shall periodically review such income limits and, if it considers it necessary, revise them to levels which it considers appropriate.

### **3. PROJECT SELECTION**

- 3.1 The Service Manager shall evaluate, or shall have evaluated, each Project in accordance with the requirements of the Program Guidelines.
- 3.2 The Service Manager shall submit to the Minister a list of Council or delegated authority approved Projects with recommended Funding requirements based on the submitted Program Delivery and Fiscal Plan and within the Service Manager's notional allocation.
- 3.3 In respect of each Project, the Service Manager shall submit a Project Information Form and the appropriate Funding Schedule to the Minister for approval.
- 3.4 If the Minister approves the Project, the Minister shall issue a Conditional Letter of Commitment to the Proponent and shall advise the Service Manager of the approval of the Project.
- 3.5 The Funding shall be allocated to the Projects at the discretion of the Minister.
- 3.6 The Service Manager shall advise and request approval from the Minister for any changes to the Projects which may affect the number of Units or the Funding requirements for the Service Manager and the Project.
- 3.7 The Minister may change the allocation of Funding to a Project in response to a change in the Project.
- 3.8 The Service Manager shall approve Projects in accordance with policies it has adopted respecting the procurement of goods and services, as required by the *Municipal Act, 2001*.
- 3.9 A Service Manager who utilizes the municipality or a municipal non-profit housing corporation to deliver Units under the Program is not required to use a procurement process to solicit the municipality or the municipal non-profit housing corporation as a Proponent, but the municipality or municipal non-profit housing corporation shall award contracts to build Units using procurement practices authorized by the Service Manager.

### **4. PAYMENTS BY THE MINISTER**

- 4.1 In respect of all Projects:

- (a) The Minister shall pay the Service Manager the Funding within fifteen (15) Business Days following the Minister receiving written confirmation from the Service Manager that:
  - (i) the Service Manager and the Proponent have signed a Contribution Agreement;
  - (ii) the Proponent is in compliance with the Contribution Agreement; and
  - (iii) the Proponent has satisfied the criteria for the payment to be made pursuant to the Funding Schedule;
  
- (b) The Service Manager shall pay the Proponent the Funding within fifteen (15) Business Days of receiving the Funding from the Minister, provided that:
  - (i) the Proponent is in compliance with the Contribution Agreement;
  - (ii) the Proponent has satisfied the criteria for payments to be made pursuant to the Funding Schedule; and
  - (iii) the Proponent has complied with the requirements of the Program;

4.2 Notwithstanding section 4.1, no Funding shall be paid to the Service Manager in respect of a Project unless the Service Manager has advised the Minister that the Service Manager has entered into a Contribution Agreement with the Proponent for the Project that provides for the use, accountability and security of the Funding, and the Proponent is not in breach of the Contribution Agreement.

4.3 Notwithstanding sections 4.1 and 4.2, the Service Manager may authorize the Minister to pay Funding to a third party and the Minister shall permit such authorization.

4.4 Notwithstanding sections 4.1 and 4.2, the Proponent may authorize the Service Manager to pay Funding to a third party and the Service Manager shall permit such authorization.

4.5 All Funding for a Project shall be advanced to the Service Manager within four (4) years of the signing of the Contribution Agreement. In no event shall Funding under this Schedule be advanced to Service Managers after March 31, 2024.

## **5. ADMINISTRATION**

- 5.1 Following the approval of each Project by the Minister, the Service Manager shall arrange for an appropriate form of Contribution Agreement to be executed, and shall register appropriate security documents, prior to requesting Funding from the Minister or forwarding Funding to the Proponent.
- 5.2 A Contribution Agreement under this Schedule cannot be signed after March 31, 2020, or such earlier date as may be determined by the Minister and communicated by the Minister to the Service Manager by notice in writing.
- 5.3 The Service Manager shall monitor all Projects which have received a Funding allocation to determine whether the Proponents carry out all Development Activities in such manner and within such time periods as are set out in the Program Guidelines or as may be determined by the Minister.
- 5.4 The Service Manager shall use its best efforts to ensure that construction for each Project commences within one hundred and twenty (120) days of the date of the Contribution Agreement for the Project. If construction for a Project has not commenced within one hundred and twenty (120) days of such date, the Minister may cancel the Funding for the Project, demand repayment of Funding for the Project and reallocate such Funding as the Minister deems appropriate.
- 5.5 The Service Manager shall provide the Minister with a completed Confirmation of Construction Start, in the form attached to this Schedule as Appendix E, at the start of construction of each Project, within ten (10) days of the start of construction of the Project.
- 5.6 The Service Manager shall obtain from the Proponent and shall forward to the Minister, an audited financial statement respecting the expenditure of the Funding provided to the Proponent, within ninety (90) days or such additional time as may be determined by the Minister, following the date on which the Minister is advised by the Service Manager that the Project will not proceed or within six (6) months or such additional time as may be determined by the Minister, of the Occupancy Date.
- 5.7 In the event the Project costs in the audited financial statement or such other statement as the Minister may determine are lower than the amount on the Project Information Form, and as a result,

- (a) the Proponent is no longer in compliance with the equity requirements set out in the Program Guidelines; and/or
- (b) the Funding represents greater than seventy-five per cent (75%) of the total capital cost per unit of the Project;

the Minister reserves the right to deduct an appropriate amount of Funding from any subsequent advance of Funding to ensure compliance with (a) and (b), or the Service Manager shall be required to refund an appropriate amount to the Minister.

- 5.8 During the period following the date of execution of this Agreement and the end of the Program, the Service Manager shall provide the Minister by July 15, October 15, December 15 and March 15 of each year with a quarterly updated Program Delivery and Fiscal Plan, indicating the amount of Program Funding approved and the number of Program Units committed.
- 5.9 During the period between the date of execution of this Agreement and the Occupancy Date of all of the Projects, the Minister and the Service Manager shall collaboratively review annually during the month of April the progress of utilization of the Funding by the Proponents at their respective Projects on the basis of the reports submitted pursuant to Appendix C.
- 5.10 The Service Manager acknowledges that the Minister is required to report to CMHC under the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014, as amended and that, in order to fulfill the said reporting requirements, it will be relying on the materials provided to it pursuant to sections 5.8, 5.12 and 5.13, and on the collaborative review of these materials pursuant to section 5.9.
- 5.11 The Service Manager shall, at the request of the Minister, provide the Minister with proof that occupancy of all Units in the Project is permitted.
- 5.12 Upon initial occupancy of a Project, the Service Manager shall obtain and validate from each Proponent, the Project Initial Occupancy Report, in the form attached to this Schedule as Appendix A, and the Confirmation of Employment of Apprentices, in the form attached to this Schedule as Appendix F, and submit them to the Minister.
- 5.13 During the period between the Occupancy Date of each Project and the end of the Phase-out Period, the Service Manager shall:
  - (a) obtain annually from each Proponent a completed information report, in the form attached to this Schedule as Appendix B and submit them to the Minister; and

- (b) complete and submit to the Minister, on or before the last day of March subsequent to each reporting calendar year, a report on all of the said funded Projects, in the form attached to this Schedule as Appendix C.

5.14 The Service Manager shall immediately inform the Minister in writing of the following matters as soon as it becomes aware of them:

- (a) a request by a Proponent to transfer responsibility for a Project to another entity;
- (b) any failure by the Proponent to carry out all the Development Activities required in the Program Guidelines or any failure to carry out such Development Activities in such manner and within such time periods as are set out in the Program Guidelines or as may be determined by the Minister;
- (c) if construction for a Project has not commenced within one hundred and twenty (120) days of the date of the Contribution Agreement;
- (d) any breach by the Proponent of its Contribution Agreement with the Service Manager;
- (e) the Proponent becoming bankrupt or insolvent or taking the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or filing any proposal or making any assignment for the benefit of creditors or any arrangement or compromise;
- (f) the appointment of a receiver or a receiver and manager for all or a portion of a Project; and
- (g) the taking of any steps or any action or the institution of any proceedings by a Proponent or by any other party, including, without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding up or liquidation of the Proponent or its assets.

## **6. REMEDIES**

6.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager,

- (a) terminate this Schedule;



- (b) demand immediate repayment of all or part of any Funding in the possession or control of the Service Manager that has not been used for a Project;
- (c) demand immediate repayment of all or any part of the monies paid by the Minister to the Service Manager under this Schedule;
- (d) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Project in respect of which the breach occurred;
- (e) cancel all further instalments of Funding; and/or
- (f) suspend further instalments of Funding for such period as the Minister may determine appropriate.

The Service Manager shall comply with a demand referred to in clause (c) and/or (d), irrespective of whether it has used any of the relevant amounts for a Project.

- 6.2 All of the remedies available to the Minister under this Schedule, at equity and/or at law, are cumulative and are not alternative and the Minister shall not be precluded from availing himself simultaneously of some or all of the said remedies.
- 6.3 Notwithstanding any of the terms of this Schedule, the Minister shall have the option of waiving any or all of his remedies under this Agreement, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.

## **7. GENERAL**

- 7.1 The Rental Housing Component is available from the date of the Service Manager Administration Agreement until March 31, 2020.
- 7.2 The Service Manager shall enter into a Contribution Agreement with the Proponent which requires the Proponent to comply with the requirements of the Program.
- 7.3 The Service Manager acknowledges and agrees that the Rental Protocol set out in Appendix D applies to all Projects by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol does not apply to Projects under the *Residential Tenancies Act, 2006*, and shall ensure that the Proponent agrees in writing that Appendix D applies to its Project.

- 7.4 The headings and subheadings contained in this Schedule are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Schedule or form part of this Schedule.
- 7.5 If the Parties have previously entered into administration agreement(s) respecting prior Rental Housing Component(s) of the Affordable Housing Program or the Investment in Affordable Housing Program 2011-2014, the Parties acknowledge and agree that the provisions of such agreement continue in full force and effect notwithstanding that no further funding is being provided by the Minister to the Service Manager under that agreement and notwithstanding that the Parties have entered into the Administration Agreement in respect of new funding.

## APPENDIX A

### PROPONENT'S INITIAL OCCUPANCY REPORT IAH (2014 Extension) - Rental Housing Component

#### A. Project Information

Reference No.	
Project Name	
Project Address	
Occupancy Date	
Contribution Agreement Expiry Date	

#### B. Unit Details

Target Client	Unit Type	Household Type	IAH Units (A)	# of IAH RS	# of IAH HA	# of Other RS	# of SS	Non-IAH Units (B)	Total Units (A+B)
	Bachelor								
	1 BR								
	2 BR								
	3 BR								
	Others (specify)								
	<b>Total</b>								

**IAH RS:** IAH – Rent Supplements  
**Other RS:** Other Rent Supplements

**IAH HA:** IAH – Housing Allowances  
**SS:** Supportive Services

#### C. Depth of Affordability: Rents at Occupancy (IAH Funded Units)

Unit Type	Unit Size	Number of Units (A)	Actual Rent to be charged per month (B)	CMHC Average Market Rent (AMR – 20XX) or Alternate AMR (C)	Actual Project Rents by Unit Type (D)=(A)X(B)	Project Rents as per CMHC AMR or Alternate AMR (E)=(A)X(C)
Bachelor						
1 BR						
2 BR						
3 BR						
Others (specify)						
<b>TOTAL</b>						

**Notes:**

- Actual Rent is inclusive of federal and/or provincially funded Rent Supplements received by the Proponent.
- Alternate AMR examples include: modified Ontario Works Shelter Allowance; Ministry-approved alternate.

<b>Weighted Average Rents</b>	<b>Project Weighted Average Rent</b> Total of (D)÷Total of (A) =	<b>CMHC or Alternate Weighted Average Rent</b> Total of (E)÷Total of (A) =
<b>Depth of Affordability</b>	(Project Weighted Average Rent ÷ CMHC (or Alternate) Weighted Average Rent) x100 =	

**D. Source of Alternate AMR (if an alternate AMR is being used)**

**E. Rationale (if Depth of Affordability is greater than 80% of CMHC AMR (or Alternate))**

**F. Project Certification**

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the \_\_\_\_\_ [insert name of Service Manager] to review the rent roll from appropriate sources(s) if deemed necessary.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

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Submitted by \_\_\_\_\_ [insert name of Service Manager]

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

## APPENDIX B

### PROPONENT'S ANNUAL OCCUPANCY REPORT

IAH (2014 Extension) - Rental Housing Component  
For the Year Ended December 31, 20XX

#### A. Project Information

Reference No.	
Project Name	
Project Address	
Occupancy Date	
Contribution Agreement Expiry Date	

#### B. Unit Details

Target Client	Unit Type	Household Type	IAH Units (A)	# of IAH RS	# of IAH HA	# of Other RS	# of SS	Non-IAH Units (B)	Total Units (A+B)
	Bachelor								
	1 BR								
	2 BR								
	3 BR								
	Others (specify)								
	<b>Total</b>								

#### Notes:

**IAH RS:** IAH – Rent Supplements  
**Other RS:** Other Rent Supplements

**IAH HA:** IAH – Housing Allowances  
**SS:** Supportive Services

**C. Actual Rents at Year End**

Unit Type	IAH Funded Units	Previous Year 20XX		Current Year 20XX			Rationale (If D>B)
		Actual Rent per Unit per Month (A)	RTA Permitted Increase per Unit per Month X % (specify) (B)	Actual Rent per Unit per Month (C)	Rent Increase (D) = (C)-(A)	(E) CMHC or Alternate AMR	
Bachelor							
1 BR							
2 BR							
3 BR							
4 BR							
Other (specify)							
<b>TOTAL</b>							

**D. Depth of Affordability: Rents during year of reporting (IAH Funded Units)**

Unit Type	Unit Size	Number of Units (A)	Actual Rent to be charged per month (B)	CMHC Average Market Rent (AMR – 20XX) or Alternate AMR (C)	Actual Project Rents by Unit Type (D)=(A)X(B)	Project Rents as per CMHC AMR or Alternate AMR (E)=(A)X(C)
Bachelor						
1 BR						
2 BR						
3 BR						
Others (specify)						
<b>TOTAL</b>						

**Notes:**

1. Actual Rent is inclusive of federal and/or provincially funded Rent Supplements received by the Proponent.
2. Alternate AMR examples include: modified Ontario Works Shelter Allowance; Ministry-approved alternate.

<b>Weighted Average Rents</b>	<b>Project Weighted Average Rent</b> Total of (D)÷Total of (A) =	<b>CMHC or Alternate Weighted Average Rent</b> Total of (E)÷Total of (A) =
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<b>Depth of Affordability</b>	(Project Weighted Average Rent ÷ CMHC (or Alternate) Weighted Average Rent) x100 =
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**Note:** Depth of Affordability cannot be greater than 80% of CMHC AMR or Alternate without the approval of the Service Manager.

**D. Rationale (if Depth of Affordability is greater than 80% of CMHC AMR (or Alternate))**

**E. Project Certification**

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the \_\_\_\_\_ [insert name of Service Manager] to review the rent roll from appropriate sources(s) if deemed necessary.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

Submitted by \_\_\_\_\_ [insert name of Service Manager]

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

## APPENDIX C

### SERVICE MANAGER'S ANNUAL REPORT

IAH (2014 Extension) - Rental Housing Component

For Completed Projects between January 1, \_\_\_\_\_, and December 31, \_\_\_\_\_  
in \_\_\_\_\_ (insert name of Service Manager)

#### Weighted Average Rents

Reference No.	Name Of Project & Location	Total Number of Units (#)	IAH Funded Units (#)	Type of Development		Weighted Average Rent of Project per Month	% of CMHC AMR Achieved for Overall Project
				New Construction	Acquisition/ Rehabilitation & Conversion		
	<b>TOTAL</b>						

**Notes:**

1. Refer to Appendix B for calculation of weighted average rents.
2. Percentage of CMHC AMR achieved. This percentage cannot be greater than 80% of CMHC AMR, without the approval of the Minister.



## APPENDIX D

### RENTAL PROTOCOL

#### 1. DEFINITIONS

1.1 In this Appendix D, unless the context requires otherwise,

- **“Affordability Period”** means the [*insert “twenty (20) year period” or “details in words (and numbers) of such longer period” as may be established in the Procurement Process*] following the date of the first (1st) occupancy of a Unit in the Project;
- **“Agreement”** means the Agreement to which this Appendix D is attached;
- **“Phase-out Period”** means the last five (5) year period of the “Affordability Period”, and

when used in this Appendix D, the term “rent” includes the amount of any consideration paid or given or required to be paid or given by or on behalf of a tenant to the Proponent or the Proponent’s agent for the right to occupy a Unit and for any services and facilities and any privilege, accommodation or thing that the Proponent provides for the tenant in respect of the occupancy of the Unit, whether or not a separate charge is made for services and facilities or for the privilege, accommodation or thing.

1.2 The definitions in the Agreement shall apply to this Appendix D, in addition to the definitions contained in section 1.1 above.

1.3 All references to section numbers in this Appendix are references to sections of the Appendix, unless otherwise explicitly stated.

#### 2. AFFORDABLE RENT

2.1 During the Affordability Period, the Proponent shall not charge rent for a Unit in the Project in excess of the affordable rent permitted under this Appendix D nor increase any rent charged for a Unit except as permitted in this Appendix D.

#### 3. RENTS

3.1 The weighted average rent of all Units in a Project for which Program Funding has been utilized shall not exceed eighty per cent (80%) of CMHC Average Market Rents in the geographical area, as determined in the most recent CMHC Annual Rental Market Survey.

- 3.2 Notwithstanding 3.1,
- (a) in the event that eighty per cent (80%) of the CMHC Average Market Rent for units of a similar type in the geographical area is less than one hundred and five per cent (105%) of the modified shelter allowance under the Ontario Works program, the weighted average rent of all Units in a Project for which Program Funding has been utilized shall not exceed one hundred and five per cent (105%) of the modified shelter allowance under the Ontario Works program for units of a similar type;
  - (b) in areas where the CMHC Average Market Rent does not represent the average market rents of a particular community, alternate market rents may be submitted by the Service Manager for review and approval by the Minister.
- 3.3 In no event shall rent for any Unit exceed the CMHC Average Market Rent for units of a similar type in the geographical area or such alternate market rents for units of a similar type in the geographical area as have been approved by the Minister.
- 3.4 If rent supplements are used for IAH (2014 Extension) funded Rental Housing Units, the Service Manager shall ensure that the total rent received by a Proponent, including rent from the tenant and the rent supplement shall not exceed one hundred per cent (100%) of the CMHC Average Market Rent for units of a similar type in the geographical area or alternate rents that have been approved by the Minister.
- 3.5 If federal and/or provincially funded rent supplements are used for IAH (2014 Extension) funded Rental Housing Units, the Service Manager shall ensure that when calculating the weighted average rent for a Project, the total rent received by a Proponent, including rent from the tenants and the federal and/or provincially funded rent supplement shall be considered.

#### **4. RENT INCREASES**

- 4.1 The Proponent may increase the rent charged under section 3.1 and 3.2 with respect to a Unit only if at least twelve (12) months have elapsed,
- (a) since the day of the last rent increase respecting the Unit, if there has been an increase, or
  - (b) since the day the Unit was first rented for the first (1st) rental period following the completion of the Development Activities in connection with the Project.
- 4.2 Subject to section 4.3, the Proponent shall not increase the rent pursuant to section 4.1 during the Affordability Period by more than the then

prevailing rent increase guideline established for each calendar year pursuant to the *Residential Tenancies Act, 2006* or any successor legislation. The Proponent acknowledges that the rent increase guideline of the *Residential Tenancies Act, 2006* or any successor legislation, does not apply to the Project and agrees that the rent increase guideline applies by virtue of the contractual terms of the Agreement and this Appendix D.

- 4.3 From the beginning of the eleventh (11th) year of the Affordability Period until the end of the Affordability Period, in addition to the increase permitted by section 4.2, the Proponent may apply to the Service Manager to increase Unit rents to an amount not to exceed CMHC Average Market Rent for units of a similar type in the geographical area.

## **5. PHASE-OUT PERIOD**

- 5.1 During the Phase-out Period, the Proponent shall not increase the rent charged to *in-situ* tenants of Units by more than the rent guideline increase permitted under section 4.2 and any additional increase that may be approved under section 4.3.
- 5.2 Upon a Unit becoming vacant during the Phase-out Period, the Proponent may rent the Unit to a new tenant at any rent agreed to by the Proponent and the new tenant.

## **6. EXCEPTION**

- 6.1 Subject to the provisions of the *Residential Tenancies Act, 2006* or any successor legislation, and notwithstanding the provisions of this Appendix D respecting rent increases prior to and during the Phase-out Period, where a Service Manager implements income verification of tenants following the initial occupancy of a Unit, a Service Manager may increase the rent for a Unit by more than the rent increase guideline under the *Residential Tenancies Act, 2006* or any successor legislation, provided that the rent for the Unit does not exceed the CMHC Average Market Rent for units of a similar type for that year and provided that the weighted average rent for the funded Units in a Project does not exceed the permitted rents for the Project.

## **7. AFTER PHASE-OUT PERIOD**

- 7.1 After the end of the Phase-out Period, the Proponent shall be permitted to rent Units in the Project to new tenants at rents agreed to by the Proponent and the new tenants.

**APPENDIX E**

**CONFIRMATION OF CONSTRUCTION START**

IAH (2014 Extension) - Rental Housing Component

This is to confirm that the \_\_\_\_\_ project in the  
\_\_\_\_\_ [SM name] commenced construction on  
\_\_\_\_\_ [date].

The start of construction for this project is within one hundred twenty (120)  
days of the date of the project's Contribution Agreement, which was  
signed on \_\_\_\_\_ [CA date].

I declare that the above information is true and complete.

\_\_\_\_\_

Signature

\_\_\_\_\_

Name and Title of Service Manager/Authorized Signing Officer

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

**APPENDIX F**

**CONFIRMATION OF EMPLOYMENT OF APPRENTICES**

IAH (2014 Extension) - Rental Housing Component

Required for Each Rental Housing Project

This is to confirm that the \_\_\_\_\_ project in the \_\_\_\_\_ [SM name] has employed a total of \_\_\_\_\_ [number of] apprentices throughout the development and construction of the project.

The apprentices employed during project construction have received training in the following trades:

\_\_\_\_\_.

The following initiatives/activities were used to promote or support apprentices in the Project:

\_\_\_\_\_.

The project proponent, \_\_\_\_\_ [proponent name] has provided appropriate documentation in support of the above information.

I declare that the above information is true and complete.

\_\_\_\_\_

Signature

\_\_\_\_\_

Name and Title of Service Manager/Authorized Signing Officer

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_