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Social Services Department Social Housing Division

July 13 2005

MEMORANDUM TO: ALL HOUSING PROVIDERS

RE: MINIMUM/MARKET RENTS

It has been brought to the attention of the Program Supervisors that there may be some confusion around 'minimum and market' rents (O. Reg. 298/01, s. 47).

Minimum/Market rents apply to the entire household and not individual family members. The minimum monthly rent payable by a <u>household</u> that receives rent-geared-to-income assistance is \$85.00.

It is the geared-to-income rent <u>after applying adjustments for utility charges and allowances</u> that is compared to the minimum and maximum rents.

Below are a few examples of rent calculations:

The rent-geared-to-income for the household is calculated as \$62.00 per month before adjustments for utilities. The utility charge of \$30.00 is then added for a total rent of \$92.00. This is higher than the minimum rent of \$85.00, so the final monthly charge is \$92.00.

The household has no income for the month. The rent-geared-to-income is \$0.00. The utility charge of \$56.00 is then added for a total rent of \$56.00. This is lower than the minimum rent of \$85.00, so the final monthly rent charge is \$85.00

The rent-geared-to-income for the household is calculated as \$650.00. The utility charge of \$36.00 is then added for a total rent of \$686.00. This is higher than the maximum rent of \$600.00, therefore the final monthly rent charge is \$600.00.

If you require further clarification, please do not hesitate to contact your Program Supervisor.