



# Program Instructions

This Program Instruction applies to the following:

- ✓ **AHP Wave 1** – Mapleglen Residences, Tony Wong Place, Mount Albert United Church Senior Citizen Foundation, Hesperus Fellowship Village, Reena
- ✓ **AHP 2009 Extension** - Kingview Court Expansion, Mackenzie Green, Voice of Vedas Cultural Sabha Inc., DeafBlind Ontario Services (Hertick and Treffry)
- ✓ **IAH** - DeafBlind Ontario Services (St. George), Lakeside Residences, Crescent Village
- ✓ **IAH Extension/Ontario Priorities Housing Initiative** – Richmond Hill Hub, Woodbridge Lane, Larry Todd Place, Unionville Commons, Mosaic House

## SETTING RENTS FOR AHP/IAH/OPHI COMMUNITIES

**Note: This Program Instruction replaces Program Instruction N°2024-03 [AHP/IAH]**

### 1. Summary

This Program Instruction provides direction to housing providers for setting rents in 2025 for housing providers operating buildings constructed under the following programs:

- Canada-Ontario Affordable Housing Program (AHP) Wave 1 and 2009 Extension
- Investment in Affordable Housing Program (IAH), and IAH Extension (IAH-E)
- Ontario Priorities Housing Initiative (OPHI)

Canada Mortgage and Housing Corporation (CMHC) has released average market rents (AMR) for Fall 2023. This data is used to set rents for encumbered units in buildings funded by the above programs.

### 2. Background

The above programs were designed to increase the supply of affordable housing. Contribution agreements outline the specific rent rules that must be followed during the 20-year affordability period.

To achieve affordability, rents for encumbered units must remain at or below the applicable CMHC AMRs while also maintaining an overall average rent for encumbered units at or below 80% of AMR.

Community and Health Services

Housing Services

1-877-464-9675

TTY 1-866-512-6228

york.ca

York Region

### 3. Action Required

Housing providers must follow the applicable rent rules based on their contribution agreements.

- Encumbered units in buildings must achieve an overall average rent at or below 80% of CMHC AMR. Individual unit rents cannot exceed the applicable AMR.
- When calculating the building’s overall average rent for encumbered units, housing providers must use the tenant contribution to rent (the portion paid by the tenant) for subsidized tenants.
- **Rents for new tenants:** Rents for encumbered units for new tenants in 2025 must be at or below the most recent CMHC AMR, provided in Table 1.

**Table 1  
Fall 2024 CMHC Average Market Rents for York Region**

Zone	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom
<b>Zone 25</b> Richmond Hill, Vaughan, King	\$1,199	\$1,533	\$1,929	\$2,233
<b>Zone 26</b> Aurora, Newmarket, Whitchurch-Stouffville, East Gwillimbury, Georgina	\$1,085	\$1,588	\$1,897	\$2,278
<b>Zone 27</b> Markham	N/A*	\$1,742	\$1,893	\$1,984
<b>York Region (Zones 25-27)</b>	<b>\$1,184</b>	<b>\$1,610</b>	<b>\$1,908</b>	<b>\$2,205</b>

\*Note: The Zone 27 bachelor rent continues to be suppressed by CMHC due to low data quality. Housing providers should contact their Program Coordinator for assistance determining an appropriate bachelor rate where applicable.

- **Rents for current tenants:** The [Rent Increase Guideline](#) for 2025 is 2.5% and applies to rent increases that take effect between January 1, 2025, and December 31, 2025. Rent increases for encumbered units may not exceed the CMHC AMR for the unit size shown in Table 1.

#### Applying the Rent Increase Guideline

1. Identify the current rent for the unit
2. Calculate the guideline rent increase by multiplying the current rent by the Rent Increase Guideline

3. Determine the new rent by adding the rent increase calculated in step 2 to current rent

Example applying the 2025 Rent Increase Guideline:

- Current rent is \$1,000
  - Multiply the current rent by 2.5%
    - $\$1,000 \times 2.5\% = \$25$
    - $\$1,000 + \$25 = \$1,025$
  - Guideline rent increase amount is \$1,025
4. If the guideline rent increase amount is less than the applicable AMR in Table 1, then the guideline rent increase amount is the maximum rent for the unit
  5. If the guideline rent increase amount is more than the applicable AMR in Table 1, then the AMR amount is the maximum rent for the unit
  6. After calculating the rent increases, ensure that an average overall rent for the building of 80% is maintained. For any subsidized units in the building, the portion the tenant pays contributes to the overall average rent.

#### **Example #1**

A housing provider in Richmond Hill currently charging \$1,000 for a one-bedroom unit may raise the current tenant's rent by the Rent Increase Guideline of 2.5%, an increase of \$25. As the guideline rent increase amount of \$1,025 is less than the AMR for one-bedroom units in Richmond Hill (\$1,533 as indicated in Table 1), the tenant's rent may be increased to \$1,025, provided the housing provider maintains an average overall rent for the building of 80% of AMR.

#### **Example #2**

A housing provider currently charging \$1,500 for a one-bedroom unit in Richmond Hill cannot increase the current tenant's rent by the Rent Increase Guideline of 2.5%, as the guideline rent increase amount of \$1,538 (rounded) exceeds the AMR of \$1,533 for a one-bedroom unit in Richmond Hill. The housing provider may increase the rent to the AMR of \$1,533 provided an average overall rent for the building of 80% of AMR is maintained.

**Authority:** Contribution Agreement

Please contact your Program Coordinator with any questions.

January 2025

This notice will be available in an accessible format or with communication supports upon request from 1-877-464-9675 ext. 72119

YORK#16565357