

ATTRITION OF SUBSIDY POLICY

The purpose of Applegrove Co-operative Homes is to provide affordable housing in a safe, inclusive and democratic environment for its entire membership. The purpose of this policy is to outline a plan for Applegrove Co-operative Homes to pare down the units in receipt of subsidy to prepare for the end of the Operating Agreement and the lack of subsidy funds.

The operating agreement Applegrove holds with CMHC ends on September 1st, 2024. When the mortgage held by CMHC is paid in full, there will be no more subsidy dollars received from CMHC. The only source of income for Applegrove Co-operative Homes Inc. will be from the housing charges received from the membership.

The 'Articles of Incorporation' for Applegrove Co-operative Homes Inc. state, "The Co-operative shall provide and use its best efforts to maintain 32 of the dwelling units in the Project for occupants in receipt of assistance under a Rent Supplement Program. The number of dwelling units with occupants in receipt of that assistance shall not be reduced to less than 15% (7.65 or 8) of the total number of units in the Project without the approval of CMHC."

Applegrove will reduce its dwelling units in receipt of subsidy to a maximum of three (3) per year through attrition only. Once those units have been deemed market, they will not be replaced. If three (3) units are not lost through attrition in any given fiscal year, at no time will subsidy be taken from a unit in receipt of subsidy.

It is hoped that through responsible fiscal planning that Applegrove will continue to be a provider of safe, affordable housing for many years to come.

This Policy approved by the Membership on February 3rd, 2014



President



Corporate Secretary