

COMPANY RENT

HOW TO GUIDE: 2020-2021

The Company Rent – How to Guide is a resource for CERC Co-ops and CERC Co-op Directors. Company Rent is assessed at 55% of the total amount of household rent for the Co-op using the annual rent assessment of all tenanted and vacant properties. This is reassessed annually at the start of each financial year.

Company Rent

CALCULATION

A First Schedule is issued to the Co-op each year in June. Company Rent is based on the household rent for each property. This is calculated by:

$$\text{Company Rent} = \text{TR} \times \text{P}$$

TR = The total amount of Tenant Rent payable by Tenants to the CERC in a Rental Year.

P = 55%, being the percentage of Tenant Rent payable as company rent.

RE-ASSESSMENT OF COMPANY RENT

Company Rent can be re-assessed if:

- The addition of a new property to the First Schedule.
- The handback of a property by a CERC to CEHL (although the rent may continue until the house is disposed of, depending on the circumstances of the handback).
- When a CERC believes their share of Tenant Rent per property has fallen below a threshold of \$4,034 per annum (Company Rent / Number of properties = < \$4,034)
- Where the CERC believes there has been a significant decrease to the household incomes across a number of properties they manage. *Note: This requires all households in the CERC to submit new Household Information Forms.*
- Where the CERC believes that the maximum rent determined for their properties exceeds the market rate.

IMPORTANT DATES

1st July – This is the effective date for all new household rent assessments completed for the annual rent review.

15th July – First payment of the new monthly Company rent amount is due.

30th September – Final date for any maximum rent or vacant property rent adjustments. Any completed between 1 July and 30 September will trigger a new First Schedule to be created effective from 1st October.

Vacant Properties and New Properties

Vacant properties or new properties at the time of the annual rent review will be assessed based on the following minimum rent types.

VACANT PROPERTIES	
1 bedroom property	Minimum rent for household – One Adult
2 bedroom property	Minimum rent for household type One Adult + one Child
3 bedroom property	Minimum rent for household type One Adult + Two Children
4 bedroom property	Minimum rent for household type One Adult + Three Children