



## **Residential Rehabilitation Assistance Program for Rental Conversion**

The Program is funded by a cost sharing arrangement between the Government of Canada and the Province of New Brunswick.

### **What is the Rental RRAP Conversion Program?**

The program is offered by the Department of Social Development (SD). It provides financial assistance to owners/landlords to convert non-residential properties into affordable self-contained rental housing units and/or bed-units to be occupied by households with income at or below the applicable Income Thresholds.

### **Who qualifies?**

A property is eligible if it meets the following requirements:

- Properties owned by private entrepreneurs, non-profit corporations, co-operatives or Municipalities who wish to convert non-residential properties into bona fide affordable permanent rental accommodations are eligible. A legitimate landlord tenant relationship must exist.
- The newly converted property will have to contain more than 3 bed units or one or more self-contained units to be rented to occupants with incomes at or below the applicable income threshold.
- The post-RRAP rent charge will be at or below levels established by SD. The project must be financially viable based upon the agreed upon post-RRAP rents.

Properties which do not operate as bona fide rental enterprises are not eligible for RRAP conversion assistance (i.e. nursing homes, care facilities, special purpose housing).

### **How does it work?**

The amount you may receive is based on the cost of eligible work and the number of eligible units within the project. The assistance is in the form of a forgivable loan. The maximum amount you may receive for each self-contained unit is \$24,000. The maximum forgivable loan per bed unit is \$16,000. With the exception of non-profit organizations, owners must contribute 25% of the total mandatory repairs. All approved applicants must enter into a rental agreement to ensure that rents remain affordable to low-income occupants during the earning period of the loan.

If mandatory repairs cost more than the maximum amount available, you must provide the difference. All mandatory health and safety repairs must be completed.

### **Do you have any questions?**

If you have any questions about the Rental RRAP Conversion Program, please contact your regional office of Social Development at 1-833-733-7835.