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## FREQUENTLY ASKED QUESTIONS

### SECONDARY SUITE PROGRAM FUNDING

#### How much funding can I qualify for?

- *The maximum amount of funding is \$25,000*
- *Funding amount is based on the cost to create the secondary suite and amount of equity in the home*

#### What is a 'forgivable loan'?

- *The Secondary Suite Program funding is considered a 'forgivable loan' and is reduced at an equal rate each year until the 15<sup>th</sup> year at which time it would be \$0. No payments are required or interest charged so long as the terms of the loan agreement are adhered to*

#### If I'm on a waiting list, can I start the work?

- *Depending on the amount of funding available, applicants may be advised that they are on a waiting list*
- *This does not mean that your application has been approved*
- *Any work completed prior to final approval is not eligible for reimbursement*

#### Can I own multiple properties?

- *Yes, however you need to disclose this fact when applying. You should also let us know if you intend to own other properties within the next 15 years as there are two different funding programs;*
  - *County Funded Secondary Suite Program allows applicants to own multiple properties. You can apply for funding to create up to 6 secondary suites*
  - *Investment in Affordable Housing Program (funded by the Federal/Provincial Governments) requires that the applicant only own one property and be owner occupied during the 15 year term*

#### Can the property be owned by a corporation?

- *Yes, however the owner(s)' must still submit requested photo identification and status in Canada documents.*

#### Can the property be a legal duplex, Boarding Lodging Rooming House or apartment building?

- *No, funding can only be used to create or legalize secondary suites in zoned residential properties.*

#### Are there timing requirements?

- *Yes, construction must begin within 4 months of receiving funding approval.*

#### Can I do the work myself?

- *Some work can be done by the homeowner. Only material would be eligible for reimbursement.*
- *All electrical work must be done by a qualified electrician*

### **How do I find a contractor?**

- *The County cannot recommend contractors. An approved contractor must have liability and Workplace Safety and Insurance Bureau (WSIB) insurance;*
  - *Ask friends/neighbours who have had similar work done*
  - *Call your local Builders Association*
  - *Building supply stores, Internet, Yellow Pages*

### **What if the cost to create the secondary suite is higher than the funding amount?**

- *Any costs over and above the funding amount are the responsibility of the homeowner*
- *You must pay the excess amount first from your own sources before any program funds are provided*

### **When the apartment is done, how soon do I have to rent it out?**

- *Within two months*

### **Who can I rent to?**

- *The unit must be rented to a tenant whose income meets program guidelines. These amounts are indicated on the Secondary Suite application. Contact our office for updated income limits at tenant take-up.*
- *The homeowner selects their own tenant(s)*
- *The unit can be rented to family members*

### **Can I move into the new apartment and rent out the other part of my house?**

- *No, it must be rented to a new tenant*

### **How much rent can I charge**

- *Rent charged cannot exceed the Canada Mortgage and Housing Average Market Rent for the area for the full term of the loan (15 years). These amounts are indicated on the Secondary Suite application. Contact our office for updated rental amounts at tenant take-up. Rents are subject to change from time-to-time and will be posted on our website ([simcoe.ca/ontariorenovates](http://simcoe.ca/ontariorenovates))*

### **Do utilities have to be included in the rent?**

- *Yes, utilities must be included in the rent (heat, hydro, water, hot water)*

### **What if I decide not to rent out the apartment?**

- *This is considered a default of the loan agreement. The 'unforgiven' balance would become due and payable*

### **What happens if I decide to sell my house?**

- *If you sell prior to the end of the 15 year term, the amount of loan that remains 'unforgiven' shall be due and payable*

### **Can I voluntarily repay the loan?**

- *Yes, repayment can be made in a lump sum. All funds returned to the Secondary Suite Program are offered to applicants on the waiting list*
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