



# SECONDARY SUITES PROGRAM

The Secondary Suites Program is being delivered with funding from the County of Simcoe and Federal/Provincial governments.

This program provides financial assistance in the form of a 15-year forgivable loan of up to a maximum of \$50,000 to create a secondary or garden suite.



**Funding is limited  
and will be available on a  
first-come-first-served basis.  
Projects prepared to begin  
construction will be advanced.**

## ARE YOU ELIGIBLE TO APPLY?

**If you are interested in participating in the Program to create a secondary or garden suite, applicants must meet the following criteria:**

- Own a property in the County of Simcoe
- Creation of secondary or garden suite must comply with all municipal/building regulations
- Property taxes and mortgage payments up-to-date
- Insurance coverage for the full replacement value of the home
- You must be a Canadian Citizen, Landed Immigrant, or have Refugee Claimant Status and have no deportation order under the Immigration Act (Canada) against any member of the household or no departure order or exclusion order under the Immigration Act (Canada) has become effective with respect to any member of the household
- Not be in the process of applying for bankruptcy or have an active bankruptcy filed
- Total of all mortgages and any other encumbrances registered on title, plus the Program funding, cannot exceed the market value of the home

# ELIGIBLE PROJECTS

## SECONDARY OR GARDEN SUITES

**Creation of an affordable rental unit in an existing property:**

- Must comply with local municipal building approval and Ontario Building Code requirements
- Construction must commence within 90 days of project approval
- Applicants are encouraged to apply for appropriate building permit(s) to facilitate project commencement
- Rents must remain affordable\* for a period of 15 years

\*Based on Average Market Rent as determined by Canada Mortgage and Housing Corporation and adjusted from time to time

## ACCESSIBILITY MODIFICATIONS

**Grants up to \$5,000 for permanent modifications to the secondary/garden suite to improve accessibility. Examples include, but are not limited to:**

- Ramps
- Chair and bath lifts
- Height adjustments to countertops
- Cues for doorbells/fire alarms
- Bathroom modifications

\*Accessibility modification that exceed \$5,000 will be considered a forgivable loan up to a combined total of \$50,000



## OTHER RELATED COSTS

**Soft\* costs deemed reasonable by the County of Simcoe and that are agreed to by the Province of Ontario, may be eligible expenses. Examples include, but are not limited to:**

- Labour and applicable taxes
- Legal fees up to a maximum of \$1,000

\*Soft costs incurred prior to final funding approval are not eligible for reimbursement

## OTHER POTENTIAL COSTS

**All secondary suites loans are secured as a mortgage and is registered on title.**

- The County will postpone its security in favour of a new first mortgage. Costs of administering the postponement of the County's security is the homeowner's responsibility.
- The homeowner is responsible for the costs to discharge the mortgage registration once the loan is forgiven or repaid.





# RENTAL UNIT REQUIREMENTS

- Rents must be at or below the Average Market Rent as established by Canada Mortgage and Housing Corporation for a period of 15 years
- Ingoing occupant(s) of the rental unit must have a maximum household income below an amount as established by the Ministry of Municipal Affairs and Housing
- Annual reporting of rental amounts is required
- Units must be modest in terms of floor space and amenities
- The use of energy-saving products and/or systems are strongly encouraged



## INELIGIBLE PROJECTS

**Examples of projects that may not be eligible include, but are not limited to:**

- Any modifications performed prior to loan/grant approval
- Construction projects that do not have local municipal building approval
- Cosmetic renovations and repairs (example: driveway paving, appliances, bathroom makeovers or replacing kitchen cabinets and countertops)
- Landscaping, routine maintenance
- Solar panels
- Supportive care such as nursing care and special equipment required for therapeutic purposes, whether permanently fixed or not
- Modifications to any commercial or non-residential component of properties
- Units in a commercial or multi-residential development

## LOAN FORGIVENESS

To earn loan forgiveness, you must maintain continued ownership of the property and adhere to all terms and conditions of the Loan Agreement.

Loans for the creation of secondary/garden suites are forgiven at an equal rate over a 15 year period.



## FUNDING

**The awarding of funding dollars will be determined by the cost of work (including 'soft' costs) approved by the County.**

- There is a maximum of \$50,000 per property
- Applicants may access funding for the creation of up to six separate projects, subject to prior approval
- Accessibility modifications up to a maximum of \$5,000 are in the form of a grant

# LOAN REPAYMENT : PROGRAM DEFAULTS

**In the case of any of the following situations, you will be considered to be in default and any outstanding loan amount must be repaid:**

- The transfer, lease or selling of the home
- Information was misrepresented to the County of Simcoe at any given time during the process
- The loan is used for a purpose other than the repairs outlined in the scope of work
- Property taxes and/or mortgage payments are in default
- Rents and tenancies for secondary/garden suites do not meet Program Guidelines
- Property is no longer insured to its full replacement value

**Repayments made to the County of Simcoe are to be reinvested into the Program.**

## LEGAL ADVICE

Since applicants approved for a forgivable loan are required to enter into a Loan Agreement, the County recommends obtaining independent legal advice to review and explain the terms and conditions of the Program requirements.

The County will allow a maximum of \$1,000 as an eligible expense for loans secured through a mortgage. Additional legal fees above this amount are at the expense of the applicant.

## HOW TO GET AN APPLICATION

If you are eligible to apply for the Program, you can print an application from our website at [simcoe.ca/ontariorenovates](http://simcoe.ca/ontariorenovates) or contact the County of Simcoe Social Housing Department Housing Programs team for a copy.

**Please drop off, mail, or email  
your completed application to:**

County of Simcoe  
Housing Programs Department  
Attn: Secondary Suites Program  
1110 Highway 26, Midhurst, ON L9X 1N6  
[iah@simcoe.ca](mailto:iah@simcoe.ca)  
Phone: (705) 725-7215 ext. 1119



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[simcoe.ca](http://simcoe.ca)