

HOME Works!

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Provincial Secondary Suites Program

What is a Secondary Suite?

A secondary suite is a private self-contained living space located within an existing home or on the property. It has its own entrance, bathroom, bedroom(s), kitchen and living area but may share other spaces, such as storage areas, parking spaces and yard, with the rest of the house. A secondary suite can be in the basement or an above ground addition to the main dwelling, a garden suite which is a self-contained unit that is not attached to the principal dwelling, but built on the same property, or a carriage suite or garage suite which is a self-contained unit located above or attached to the side or rear of a garage.

Why provide secondary suites funding?

Providing financial assistance in the form of a forgivable loan to homeowners will encourage the development of secondary suites, which will expand the number of affordable rental units available in the market and create more opportunities for home ownership.

Who is eligible for funding?

Homeowners who own the property and are living in the dwelling where the secondary suite is to be developed may be eligible.

Who can live in a secondary suite?

Secondary suites can be occupied by a relative, nanny, or caregiver, or another tenant. If rent is charged, there must be a legitimate rental relationship as defined under *The Residential Tenancies Act*, and covered by a formal lease. In this case, rental rates must be set at, or below, Manitoba Housing affordable housing guidelines. A formal rental agreement is not required if no rent will be charged.

What funding is available to create a secondary suite?

Program assistance is in the form of a forgivable loan equal to 50% of the total construction costs to a maximum of \$35,000 per new secondary suite. Homeowners are responsible for any costs over the maximum forgivable loan. The loan does not cover the cost of bringing an existing secondary suite up to minimum standards. Forgiveness is earned over a 10 year period on a prorated basis.

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Eligible program costs include, but are not limited to, the cost of construction: materials, labour, applicable taxes, legal fees, application fees, building permits, certificates, drawings, and specifications. The homeowner is responsible for hiring, paying and managing all contractors and sub-trades.

Funding is limited to one secondary suite per house which may be a newly constructed home with a secondary suite or renovation of an existing home to include a secondary suite. The secondary suite must be a private, self-contained residential unit that meets all provincial and municipal bylaws, codes and standards.

Homeowners must demonstrate that the main dwelling meets minimum health and safety standards before funding will be provided. Secondary suites must be modest in size and amenities and proposed plans must be approved by Manitoba Housing prior to work being started.

To be eligible for program funding, the rents for the secondary suite must be set in accordance with Manitoba Housing affordable housing guidelines and must remain affordable for at least (10) years.

Program funding will be advanced upon satisfactory inspection of the project by a Manitoba Housing inspector. Construction may not commence prior to receiving written approval from Manitoba Housing.

The loan is repayable on a pro-rata basis if the homeowner sells the home, stops renting out the secondary suite, or rents out the secondary suite above the maximum allowable rent for the area during the course of the agreement.

How do I apply for funding?

This program has a funding limit and applications will be processed on a first come, first served basis.

To request an application for this program contact Manitoba Housing at:

Telephone: 945-5566 Toll-free 1-866-689-5566

Mail: Main floor – 280 Broadway, Winnipeg MB R3C 0R8

Email: housing@gov.mb.ca

How to get more information about being a landlord?

For more information about the rights and responsibilities of becoming a landlord, contact the Residential Tenancies Branch at 1-800-782-8403 or go to

<http://www.gov.mb.ca/fs/cca/rtb/index.html>