



Housing Delivery
200 – 352 Donald Street
Winnipeg MB • R3B 2H8

Tel: (204) 945-5566
Toll Free : 1-866-689-5566
Fax: (204) 948-3035

MHRC REF. NO.: ## ### ###

LETTER OF APPROVAL

Date

Homeowner Name
Homeowner Address
Homeowner City, MB Homeowner Postal Code

Dear Homeowner Name

Re: Secondary Suites Program – Final Approval
Subject Property Address:

On behalf of the Province of Manitoba, The Manitoba Housing and Renewal Corporation (“Manitoba Housing”) is pleased to advise that your application for loan assistance under the Secondary Suites Program has been approved in the amount of:

Written Amount ---XX/100 dollars (\$0.00)

SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. The Secondary Suites Program Loan may only be used to pay for the eligible costs and renovations approved by Manitoba Housing.
2. You are responsible for ensuring that the repairs are satisfactorily completed in accordance with current Building Code requirements, and any applicable local by-laws/regulations. This includes providing Manitoba Housing with copies of any inspection reports or certificates issued by other authorities having jurisdiction before final payment is released.
3. You are responsible for maintaining any lien holdbacks as required by provincial legislation. Manitoba Housing will not retain lien holdbacks.
4. The Secondary Suites Program Loan may be cancelled if construction is not completed by **DATE (24 MONTHS)**.
5. All costs incurred in relation to the construction of the approved secondary suite must be paid before any funds from the Secondary Suites Program Loan are advanced.
6. A one-time advance will be made upon recommendation by Manitoba Housing. This recommendation will be based on an inspection of work, performed by Manitoba Housing upon project completion, to confirm all of the prescribed work has been satisfactorily completed.
7. The Secondary Suites Program Loan is secured by a mortgage against the property, which will not be released (discharged) until the forgivable loan is fully earned or paid out.

8. The unearned forgivable portion of the Secondary Suites Program Loan will become due and payable if:
- (a) any statements made by you or your representatives in the process of applying for the Secondary Suites Program loan are found to be false;
 - (b) the property is sold;
 - (c) you stop renting out the secondary suite;
 - (d) the secondary suite is rented out to a tenant whose income is above the allowable income limit;
 - (e) rent for the secondary suite is set above Affordable Housing Rental Rate, released by Manitoba Housing on January 1st of each year;
 - (f) you fail to provide requested documentation or to allow Manitoba Housing to inspect property when requested;
 - (g) all the aforementioned Terms and Conditions, as well as the specific terms and conditions of the Financial Assistance Agreement (“FAA”) and the mortgage, are not adhered to.

Your approved Secondary Suites Program Loan details are as follows:

| | |
|--|-------------|
| Total forgivable Secondary Suites Program loan amount: | \$0.00 |
| Your portion of the project costs: | \$0.00 |
| Total project costs: | \$0.00 |
| Construction Completion Date: | Date |

The current maximum annual income limits for tenants under the Secondary Suite Program are:

- **\$56,694** for non-family households (tenant has no dependents; childless couples; senior couples)
- **\$75,592** for family households.

You must rent the unit funded under your agreement to tenants whose household income is at or below the limits provided by Manitoba Housing at the time the lease is negotiated. Program Income Limits are released annually and take effect every January 1st.

The current Affordable Housing Rental Rate for the unit funded under your agreement is as follows and must be inclusive of essential services (heat, gas, and water):

| | |
|------------------|------------------|
| | Unit Type |
| Community | \$ |

The maximum rent you can charge for the funded unit is the Affordable Housing Rental Rate in effect at the time the initial lease is negotiated. Rental Rates are released annually and take effect every January 1st.

The forgivable portion of your Secondary Suites Program Loan will be earned on a pro-rated, monthly basis over a period of ten (10) years commencing on the first day of the month following the final disbursement of funds.

You may now proceed with the construction of the rental unit on your property.

You MUST return the three signed originals of the enclosed Financial Assistance Agreement, in full, to Manitoba Housing before **60 days from approval date**.

However, before any funding may be advanced for work completed, you must return the following documentation to our office:

1. A Status of Title, indicating that Manitoba Housing's mortgage is registered against the title of your property, second only to your financial institution. Your lawyer can find the mortgage security requirements under Section 5.00 of the FAA; and
2. A Certificate of Insurance (as detailed in Section 10 of the FAA), indicating adequate replacement coverage of the value of the building that specifically names Manitoba Housing in the loss payable section of the policy, second only to your financial institution.

A payment request can be made in writing with all required documents as detailed in Section 6.00 of the FAA. The request will be reviewed by Manitoba Housing and processed in a timely manner.

Questions you have regarding this matter may be directed to **Adjudicator** at 204-945-#### or toll free at 1-866-5566.

Sincerely,

Shannon Greer
Manager
Renovation and Homeowner Delivery
Housing Delivery Branch

Enclosures:

Secondary Suites Program Financial Assistance Agreement – 3 original copies

DR/**adjudicator initials**

