

Homeowners: Generate income from your home...and help create affordable housing in the process!

If you own a detached, semi-detached or even a townhome you are likely able to create a legal apartment in your home and generate thousands of dollars in annual income! At the same time you can work with your local housing authority (municipal or regional government) and provide a home for an individual or family who have been patiently waiting for affordable housing...in some cases for years! This unique opportunity can change the way we see housing in the future and you can be part of that change!

Background:

For the past two decades very little new affordable housing (for sale or rental) has been created by governments nor private developers. As a result, wait lists for subsidized housing have doubled in the past decade. In Toronto alone 102,049 (as of March 2019) applicants are waiting for a place to call home. These people are motivated to get their lives back on track...but they need a safe, secure and affordable roof over their head to focus on their language, job training or other skills. This new home also allows the children to settle into school and a predictable and stable routine.

Your basement or another part of your home that is currently underutilized can be repurposed as a legal secondary suite. The investment to create this new one- or two-bedroom apartment is now permitted in every municipality in Ontario. These new or updated by-laws require a separate entrance, proper fire separation and, in all municipalities *except* Toronto, parking.

Opportunity:

While you have the option to rent the new legal apartment you create in your home as an air BnB or lease it through Kijiji or another online resource, please consider working with your local housing provider (usually the local or Regional government) to provide a safe, secure home for a tenant from the housing wait list. Throughout Ontario, 1/3 of the 200,000 applicants are seniors, 1/3 are families and 1/3 are adults/couples. The applicant you select will be so thankful you opened your door to them! They pay 30% of their household income to you directly. The housing authority pays the difference in the form of a rent subsidy. You get to meet and screen the prospective tenant before they sign a landlord tenant agreement with you. They also sign a rent subsidy agreement with the government. These tenants pay on time and respect their new home because they want to keep the subsidy as it allows them to focus on other aspects of their lives and move forward.

Besides the net monthly rental income (often more than \$1,000) you can benefit from tax deductions of your utilities; interest on your mortgage; property taxes; and household maintenance/repair costs. Your opportunities can be best explored with a trusted accountant or financial advisor.

Your new tenant(s) can also support you by helping with gardening, lawn cutting, snow shovelling and other shared duties! For many homeowners the income and the additional help around their home and property allow them to stay in their homes longer and live more comfortably.

Your agreement with the housing provider will often cover up to two months of full rent between tenants as well as additional landlord supports. In addition to the rent subsidy, Waterloo Region, Niagara

Region, Simcoe County and other areas within Ontario offer forgivable loans of up to \$30,000 for homeowners creating these new rental apartments for people on the housing wait list. Other grants and incentives may be available to you. Contact me to explore options you can take advantage of.

Garth Brown has built several legal secondary suites throughout Burlington, Guelph and elsewhere. He can be reached at 416-459-2730 or garthbrown@sympatico.ca