



Top 20 recommendations on financialization of rental housing to stem loss of affordable housing

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At the request of the Federal Housing Advocate, the National Housing Council announced in January its intent to proceed with its very first review panel on the issue of financialization of purpose-built rental housing.

More than 190 written submissions were received and the panel has started hearing oral submissions. The findings and recommendations from these hearings will be tabled in the House of Commons and Senate. The federal housing minister must respond with a plan of action within 120 days.

CHEC Industry Professor Steve Pomeroy will make his oral presentation on Nov 28. The presentations can be followed live at <https://housingrights.ca/oral-hearings-financialization/>.

Pomeroy has already made a written submission in which he cautioned that the challenges relating to the loss of affordable housing are associated with a broad array of investors, most of whom would not be defined as ‘financialized landlords’ ... [and] that eliminating REITs alone would not slow the erosion of lower rent properties.

Below is a Top 20 list of common recommendations to the federal government found in submissions that have been made public.

1. Focus federal housing investments on the development, repair, acquisition and operation of housing that is permanently affordable, accessible, and adequate for Indigenous people, members of disadvantaged groups, and people experiencing core housing need and homelessness.
2. Require and fund municipalities to create public apartment unit registries that include details such as changes in ownership, historical rent charges, and property



standards infractions.

3. Incentivize provinces, territories, and municipalities to reduce affordable rental erosion and arbitrary evictions by making rent stabilization and tenant protection requirements a condition in transfers.
4. Enact regulations to ensure that public pension funds uphold human rights, including the right to adequate housing by, for example, prohibiting investment in the financialization of housing.
5. Invest in the development of deeply affordable housing, including non-profit, co-operative and public housing, since the private sector has failed to do it. Just the opposite, many financialized landlords are buying rental housing and raising rents to maximize profits.
6. In addition, rental housing developments receiving public investments should be required to include appropriate allocations of affordable housing units. Affordability requirements imposed on new developments must meet the needs of low- to middle-income tenants.
7. Facilitate the collection of more data about property owners, rental housing prices, tenure details and evictions to address the impacts of the financialization of housing with evidence-based solutions.
8. Adopt mandatory Universal Design Standards aimed at making homes affordable and accessible for people of all ages and abilities and make federal funding of housing contingent on adherence to a Universal Design code.
9. End preferential tax treatment for REITs and other financialized landlords and establish limitations on their acquisition of affordable housing stock.
10. Incentivize private sector investment in affordable housing projects by creating an Affordable Housing Investment Tax Credit, while maintaining non-profit and municipal management.
11. Ensure right of first refusal for land-trusts, co-ops, tenants, and non-profits so that



they have the first opportunity to acquire apartment buildings on sale.

12. Protect renters by investing in a new Affordable Rental Housing Preservation Fund to support the non-profit and co-op sector in purchasing private rental properties.
13. Launch and implement the Co-operative Housing Development Program, announced in Budget 2022, as part of a doubling of non-market housing across Canada.
14. Require that government-funded projects do not result in demovictions or renovictions of tenants.
15. Fund the Urban, Rural and Northern Indigenous Housing Strategy to tackle housing challenges in Indigenous communities.
16. Invest in gender-sensitive eviction prevention programs that are responsive to the unique ways in which marginalized women and gender-diverse people experience evictions.
17. Federal programs must guard against the growing financialization of seniors' and students' housing by supporting the development and acquisition of non-market housing for both groups.
18. Municipalities must ensure that planning and zoning decisions are centred on the right to housing. Planning consultation processes must be human rights compliant and meaningfully engage disadvantaged communities.
19. Ensure right of first refusal for land-trusts, co-ops, tenants, and non-profits so that they have the first opportunity to acquire apartment buildings on sale.
20. Review provincial and territorial eviction laws and develop national standards around security of tenure, ensuring these standards reflect the unique circumstances, needs, and challenges faced by marginalized women and gender-diverse people.