

The Federation of Metro Tenants' Association's Written Submission to the Review Panel Submission on the Financialization of Purpose-Built Rental Housing

At the Federation of Metro Tenants' Association (FMTA), we deal with the fallout from financialized housing situations and powerful corporate landlords quite a bit in terms of what we see in our organizing and tenant hotline work.

The Federation of Metro Tenants' Associations (FMTA) is a non-profit organization which advocates for better rights for tenants.

Founded in 1974, we are the oldest and largest Tenant Federation in Canada. The FMTA is comprised of affiliated Tenant Associations and of individual members. We have over 3,000 members and continue to grow. Our role is to inform and educate tenants, organize tenants, and to campaign for tenants' rights.

We wanted to share the following information to supplement the testimony and evidence being gathered and shared through this review panel process. As an organization that serves tenants across Toronto, we see firsthand the impact financialized housing has on tenants- especially those who are marginalized. Usually, this impact takes the form of a series of policies that are brought in by a financialized landlord after they come in, usually cutting services (illegally), increasing fees (illegally) and restricting rights (illegally).

To highlight an example regarding illegal fees, we wanted to share this recent [post from the FMTA Facebook page here.](#)

A common example we see through our tenant hotline is when a newly financialized building hires a property management company from out of province: in these scenarios, the building will immediately push \$2600 in illegal charges per year per tenant. For example, if there are 34 units in the building, the landlord and their property manager would attempt to rip off tenants in the building to the tune of about \$88,000 a year. We see this all the time with newly financialized landlords - they almost always completely ignore the local jurisdictional environment, as those environments usually don't have any penalties.

In terms of cutting services, the examples are usually pretty uniform: shuttering lockers, storage space, or free-use amenities to prevent tenants from using things they normally have had access to for years. The end goal of these moves is to either financialize these elements (make tenants pay for things that were previously free) or re-purpose them (adding more units, freeing up space for commercial agreements for Zip-car

parking, etc). This can include pools, tennis courts, fitness centres, grass/park space, parking, in-person super-intendants, repair systems, air conditioning, common rooms, roof top patios, etc.

For restricting rights, this usually involves putting limits on guests or guest parking, or illegal limitations on how people use their spaces like limiting dishwashers, AC units, personal belongings on balconies, new repair systems and worse repair standards, pausing in-suite maintenance, requiring tenant insurance (including contents insurance), refusing to pay for alternative accommodations when there's a dispute over maintenance, etc.

And in addition, buildings under these conditions always load up on Above Guideline Rent Increases - as much as they can to improve the equity value of the property.

We have also seen examples of "sitting duck" tenants, who holdout in their building after a purchase, while facing threatening and hostile tactics to force them to leave. A recent example from our tenant hotline regards a building at 633 Northcliffe Boulevard in Toronto:

This building was purchased by Pulis Investments. The landlord sent threatening letters to tenants and told them that there would be significant construction with water shutoffs, lost elevator access, lost access to the laundry room, loud noise, dust, etc. and tenants were encouraged to leave. There are still tenants that remained but about 2/3rds of the building was emptied. I am not sure how many vacant units there were before the purchase, but the shift was dramatic and notable. These letters were sent out last July (2022), and again about 6 months later.

These stories and examples represent a small fraction of the violations tenants face on an almost daily basis.

In light of the pressing situation facing tenants fighting to stay housed in financialized buildings, we thank the review panel for your time and consideration of these experiences.