Development Service Committee (DSC) Markham Civic Centre 101 Town Centre Boulevard Markham, Ontario, L3R 9W3

RE: Affordable Housing – Existence of Empty or Underutilized Housing Units

**Dear Committee Members** 

As I will explain and expand on below, I estimate there are 10,000 underutilized homes in York Region, and a proportional number in Markham itself, most of which are and have been simply empty for years at a time.

I live in Markham, on Friar Tuck in the Sherwood Forest community, just off Highway 7 and a kilometer east of Markville Mall. The list below is an informal compilation of houses which I have noticed have been empty – or underutilized – on streets that my dog and I traverse quite regularly on our daily walks. This list has been compiled informally over the years, and as these houses tend not to be maintained over the Winter and Spring seasons this emptiness is most glaring in the winter-time, say after a snow storm.

This list is also not inclusive of Markham as a whole, or even my neighborhood, but is meant to provide some sense of the crisis at the ground-level. Although I am an avid walker, my partner is a mini-mini (a runt) Golden Doddle so we don't tend to go great distances. Nonetheless I walk in the vicinity of about a one-kilometer radius, and therefore, from this perspective, here is my perspective of this crisis.

It is like a cancer, slowly but inexorably eating up neighborhoods, and will likely, over time, consume many of the houses the City attempts to make available as part of the Affordable Housing initiative.

But before I begin, there are two important asides I wish to add.

As mentioned above, I have calculated that there are 10,000 'empty' units in York Region. This number includes houses, a handful of which I list below. But it also reflects empty condos and townhouses.

#### Houses, Townhouses and Condos, especially condos

I worked at Finch and Yonge, for a long time, and my office faced east overlooking large Condos, three of which I could readily see in the distance (these were east of Yonge, located between Finch and Hendon). I regularly started early (7 am - that is generally in the dark) and worked a day that could easily extend to evenings. I was able (although usually too busy) to absentmindedly observe the goings-on at these Condos, say during a conference call when

one's mind tends to wander, or in the early winter mornings when darkness reigned and it was simply enjoyable watching the morning dawn.

Over time though, I noticed, initially as a wow!, and then later with some concern, that fifty to seventy percent of the units in these towers never lit up, that is, regardless of the time of year there never seemed to have been any evidence that anyone lived there, and this went on for months at a time. I subsequently noticed the same thing trending in townhomes.

Generally speaking, in Markham at least, when a townhome complex is built most of its units simply vanish from the market. Some years ago, one on Waterstreet, which was built on land across from the Seniors residence, sat empty - except for a unit occupied by a caretaker. Or, alternately, I find that when a single townhouse unit goes for sale, it sells (always 'above asking') and then one rarely, if ever, sees occupants.

# Feudalization of Home Occupancy

One other observation. Some other homes that are nominally occupied are lived and 'managed' by a sole occupant, who seems to be an employee. I regularly see homes occasionally occupied by a single person, namely a 'student', or a middle-aged (always single) man. Oftentimes it is an older person. These people seem permitted to use a portion of the house, say, and rarely have company, and never use air-conditioning.

I observed this closely for some years after witnessing a really unpleasant situation some years ago while walking my dog in a different neighbourhood (slightly north of where I live, in Raymerville, while my wife was grocery shopping at Loblaws). I saw a van full of people pull up to a house, and an old lady got out as did a younger man. The one I thought was the grandmother struggled into the house with heavy groceries while the millennial waited seemingly impatiently. I felt puzzled and concerned, and then it dawned on me that he was simply dropping the lady off, as he would in their turn the others who were waiting in the van. These poor souls were taken out for food, perhaps (one hopes, at least) for a once-a-week shopping spree, who then spend the rest of the week minding the investment, securing the house and giving it that lived in look.

As a rule, the houses listed here have been empty for at least three years, and when this is not the case I indicate that. Here are the empty houses along my various routes:

## 1) Southdale

- 5, family is in USA (New York)
- 7, empty
- 10, empty, not sure may be occasionally occupied
- 15, empty, for sale but sale seems to be for show to test market
- 19, empty, just sold though
- 21, empty

- 42, empty
- 66, empty, for some years, notorious for recently throwing out twenty-two mattresses
- 82, empty
- 88, live and work in Virginia, but home from time to time, notorious for waist-length grass
- 90, empty
- 97, empty (property managed by Walkerton #78), empty many years
- 104, empty

## 2) Walkerton

78, empty, 'student' from time to time (see Southdale, 97 above – the sometime occupant, e.g. a student, tends to manage the one next to it (i.e., #97 Southdale)

- 77, empty
- 76, empty
- 75, empty

As an aside, #39, occasionally occupied, but remains notable: listed some years ago for \$750g, went up to \$1 million then offered for \$250g more and sold i.e., for \$500,000 more than asking

- 36, empty
- 26, empty
- 21, empty, may be occasionally occupied (perhaps Airbnb)
- 20, empty
- 9, empty
- 5, empty
- 3, empty

#### 3) Drakefield

- 53, generally empty, property manages #76 below
- 76, empty
- 4) Conservation (a very short street leading onto the Southdale community)
  - 3, empty
  - 13, empty

## 5) Lakevista

5, empty, about five years now

Another, (not sure of number) – empty, for sale, historically this was empty for a very long time, then (after I mentioned it (and others) to our Councilor had an occupant for a couple of years)

## 6) Bakerdale

24, empty

25, empty, perhaps five years now or more, owners appear to live in Quebec

The following, morning and night, rarely if ever, have any activity and seem empty

14

20

34

35

And 41, generally empty, property managed and has neighbour paid to park car there

46 (may have wrong number but old ranch-style home has been empty for about three years)

# 7) <u>Honeybourne</u>

6, very large newly built house, empty two years

- 19, very large newly built, empty
- 21, empty
- 22, empty
- 23, empty some time and currently under construction
- 26, empty
- 36, empty but notable for number of sophisticated surveillance cameras

## 8) Jonquil

4

8

- 22, very large newly built
- 27, facing Robinson

## 9) Robinson

65

67

72

2 Grenfel (but facing Robinson)

## 10) Arrowflight

16, empty ten years, occupants from Manitoba (pandemic, or drug bust there), sheets in window

27

31, occasionally occupied (may be Airbnb)

## 11) Grandview

Some streets are breathtaking in terms of the audacity of owners. This street is one of them. The number of explicitly empty homes on some streets is astonishing, given in this case that there are only twenty-two homes on this street.

- 1, empty and recently razed, lot standing empty
- 3, empty
- 5, empty
- 8, empty
- 9, empty, under construction for some years
- 11, empty
- 17, empty

16 and 18, possibly sold recently and had been explicitly listed as 'investment properties', currently have renters (single Mom in one, and lone renter in other) but these tend to be evicted on short notice

#### 12) Milne Lane

- 9, empty for some years, recently sold as two lots 18, empty
- 23, sole occupant as described above in 2018, during an extreme heat wave I wrote to Markham on the basis of possible elder abuse. There was an upper window, opened very slightly, and I feared that the occupant never seen might be in distress due to the heat.

#### 13) Ovida

- 2, empty lot (see #1, located on Grandview)
- 6, empty
- 21, sole occupant (my note above)

### 14) Wignall

- 3, owned by 5, multi-rental (of rooms)
- 6, empty
- 8, empty
- 12, rental

#### 15) Old Wellington

- 21, empty, at least usually
- 17, empty, currently

5, empty, for about 10 years now, dwelling increasingly dilapidated but property is managed

# 16) James Walker Court

This is across Markham Road (Highway 48), a route I take with the dog for a longer walk

- 15, empty
- 37, empty
- 48, empty
- 53, empty
- 55, empty
- 57, empty
- 61, empty

## 17) Sherwood Forest

6, egregiously empty

- 12, empty
- 14, empty
- 16, empty

There are more empties on this very long street but these listed ones above are congregated in one section, and all went for sale at the same time. In two cases, the for-sale signs came down simultaneously without a final sale.

66, empty

68, now empty, short-term rental, known in neighborhood for the tremendous amount of garbage renters left for the Markham Waste Management, and for the rats

84 and 86, two semi-detached and both are empty

#### 18) Lincoln Green

- 5, empty, garage used as storage site for small business who drop by from time to time in old pick-up truck
- 7, recently built very large home, empty
- 11, empty
- 16, empty
- 18, empty
- 33, sole occupant
- 35, empty, a very, very large home, construction concluded about two years ago, after two years of having been under construction, lived in then suddenly abandoned, up for sale
- 53, empty, extremely dilapidated, been this way for about ten years now

# Some Observations and Conclusion

I don't know if these houses reflect activity on the part of wealthy investors looking for a safe place to put their millions, or, REITs, developers, realtors or other corporate entities, or even foreign State actors. But if my estimate is correct, the investment in housing units in York Region alone amounts to at least ten billion dollars, a fairly large sum which doesn't even account for turnover of these properties.

The phenomenon is occurring, as you are likely aware, in many other municipalities, such as London (where I have a daughter), and in Burlington (yes, another daughter), in Richmond Hill (where another daughter works and who I visit from time to time (with my dog) and even in Angus (where she and her husband had been lucky enough to find a home they could afford).

#### I am worried:

- These houses, which I call zombies, hollow out neighbourhoods, emptying them of their people and vitality, and impacts our local businesses;
- It also is very depressing for a young family, or anyone really, who wish to have a modest home and whose every attempt to purchase one is blocked by some faceless well-heeled entity;
- It also forces people to travel long distances, generally by car to get to and from work, even with remote working that is underway now, and this undermines efforts to decrease our carbon footprint;
- And as s Maclean's Magazine asks in a June 2021 article Nowhere to Buy: "Do we want single-family houses to be something people buy and live in? Or an asset class for investors?";
- And as Brian Sweeney wrote in a letter to the Globe in March (published Mar 12) "lots of condos are built but how many are used as real homes .... failure to address this issue can result in severe social unrest". I agree.

Thanks very much for the opportunity to express these observations and thoughts. My best to the success of the DSC and Markham's efforts to establish a sound Affordable Housing strategy.

Edwin

Edwin Lang

The Press Has Not Been of Much Help: Select List of Participants in the Tower of Babel

Rage over house prices may have ripple effect. Rob Carrick, June 25

Housing Horrors, letter to the editor, Globe and Mail, Jennifer Jones May 26 Statscan: Price of new homes climbing at sharp pace, Matt Lundley Home Prices forecast to rise 19 percent, Rachelle Younglai, Globe, June 16 National Post: "Berserk" Market raises unease over investor role, Ari Altstedter

York Region Prices Soar ... John Cudmore (Markham Economist and Sun) Region sets new records for home sales in March (2021, Markham Economist and Sun) Local Politicians True Villains ... Ginny Roth

Too Far from Home – Nathan Heller (New Yorker, June 1, 2020), on homelessness, and home owners using their services to babysit houses

Housing Frenzy won't Fix itself – Globe editorial If You Think it's a housing crisis now – Globe editorial (I think) Vancouver got it wrong on Housing – Globe, June 15, 2020

Halifax, Hamilton Top Index of Home Price Gains (Reuters, April 21)

Three Ways Ottawa could boost housing supply ... Benjamin Dachis It's a Housing Bubble in Toronto, not a Supply Squeeze ... George Fallis

Cottage Home process Sizzle ..Bianca Bharti Surge is Listinfs 'Vaporized by Demand' ""

Most suggestions for cooling housing frenzy boil down to dampen demand ... Parkinson, Globe

Millennials flee as Boomers Coddled ... Sabrina Maddeaux for the National Post

(then again) High-end Housing Sakes Jump as Millenials invest Savings ... Sothby Report, as reported by Avery Mullen (NP, March 30)

Regulator Struggles to enact anti-money laundering rules – Vanmala Subramanian

Big City Housing Affordability is Over ... Rob Carrick

The only Way young buyers will afford house is if current owners give some of their gains ... Rob Carrick

The Hot Housing Market is Burning Us All .... "" (March 1, 2021)

Affiliate of Toronto-based real estate company involved in complex builds on land owned by Myanmar military – Nathan Vanderklippe

What Stress test changes may mean for mortgage shoppers – Robert McLister Want to cool the housing market? Force Banks to Shoulder More Risk ... Rita Trichur How an Income Property Investor weathered the pandemic ... Larry MacDonald

Home are more than just Homes .. Murtaza Haida and Stephen Moranis

Government Can Cool Housing Prices without hurting homeowners ... """
Small Town join housing big-leagues on price growth "":

China's US\$87B electric-care giant hasn't sold a vehicle – profile of the China Evergrande Group, China's largest property developer

How to Fix Red-Hot Housing ... Geoff Zochodne Real Estate's dirty little secret: inflated fees ... George Athanassakos and Scott Gryba

There's No Place Like Home ... Caldwell Securities Investment Advisors, AD

Our City has a Housing Crisis. Isn't it time to build big? – Alex Bozikovic

Several Cities may be at risk of home-price correction: CMHC (as reported by yourself in March)

More Research needed on factors driving high home process, National Bank CEO says ... James Bradshaw

Stretched Borrowers may be stretching the Truth ... Geoff Zochodne

Who are Canada's Real-estate Billionaires? A Field Guide to the secretive and super-rich ... Andrew Willis

The Housing Market is Hurting Your Brain ... Erin Anderssen Affordability Declines most since 2018 (FP, May 6, 2021) Can't afford a House? It's Likely not your fault ... Rob Carrick Why are Homes being sold for far more than sticker prices? ... Murtaza Haider

Frustrated home buyers, renting is not a 'financial coffin'... Rob Carrick

(Religious) Sisters try to help renters chip away at growing bills (National Catholic Reporter, Apr 30, 2021)

Nowhere to Buy – Jason Markusoff, Maclean's June 2021