June 23, 2025



BY EMAIL

County of Essex Sandra Zwiers, Chief Administrative Officer 360 Fairview Avenue West Essex, Ontario N8M 1Y6 Email: szwiers@countyofessex.ca

Re: Rental Rates in Land Leased Communities

Dear Warden, Deputy Warden, and Members of County Council,

As many of you may know, the residential housing stock of the Town of Essex includes homes located within land lease communities. It has recently come to my attention that the "rent" for the land in these communities is sky rocketing when a home is sold. My understanding is that land rent has historically been around \$400 per month, but now is in the range of \$800 to \$900 for new purchasers of these homes. This is important, as homes in land leased communities are no longer affordable to buy when traditionally this was part of our affordable housing stock.

The Town of Essex has 2 land lease communities, namely Viscount Estates in the Community of Essex Centre and Hidden Creek in the Community of McGregor. It appears, from some recent research I have conducted on sales of homes in these 2 land lease communities, that homes located there are not selling (when traditionally they sold quite quickly), and each week many listings are being updated to show a reduction in the sale price.

Section 165 of the Residential Tenancies Act provides that when a residence in a land lease community is sold, the landlord may increase the rent for the land lease, but only by the "prescribed amount". The "prescribed amount at the time this letter is drafted, is no more than \$50.00 per month. An increase of \$50 per month does not seem unreasonable, as we all know the cost of infrastructure and repairs keeps going up.

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However, doubling the monthly rent from \$400 to \$800 is neither reasonable or in line with the "prescribed amount". It appears that the owners of the land, who are corporations out of the Toronto area, have the authority of who an existing owner can sell to. As such, they are requiring that existing owners get a potential new owner to sign a document agreeing to the rent increase above the "prescribed amount". This practice is diluting our affordable housing stock, and making it almost impossible for existing owners to sell their units within land lease communities.

The Town of Essex decided to reach out to the Province regarding this issue. For ease of reference I have enclosed the Town's letter to the Province. However, if this is a Regional issue, and not just a Town issue, it would seem to be more appropriate that the County writes to the Province and advocates for the concerns of all the local municipalities.

Please let the Town of Essex know if your local municipalities have similar concerns related to land lease communities. If it is, I would like to advocate for the County to take the lead on addressing this collective concern with the Province.

Yours truly,

Sharry Bordy

Mayor Sherry Bondy sbondy@essex.ca

c.c. Katherine Hebert, County Clerk

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