



# Community Services

## Legislative Services

May 31, 2022  
File #120203

The Right Honourable Justin Trudeau  
Prime Minister  
House of Commons  
Ottawa, ON K1A 0A6  
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The Honourable Doug Ford  
Premier of Ontario  
Legislative Building, Queen's Park  
Toronto, ON M7A 1A1  
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Honourable and Dear Sirs:

**Re: Bidding Wars on Apartment Rentals**

The Municipal Council of the Town of Fort Erie at its meeting of May 30, 2022 passed the following resolution:

**Whereas** Canada's housing market has not only made it difficult for many Canadians to afford to purchase a home but also to rent apartments, and

**Whereas** there is a disconnect between affordability of housing and apartment rentals versus wages that have not kept pace with them nor has it kept pace with inflation, cost of living expenses, the rising costs of goods & services including – food, gas and utility, and

**Whereas** Ontario has now become the least affordable jurisdiction suffering the worst erosion in the last 50 years, and

**Whereas** many Canadians continue to be locked out of the housing & rental market for many reasons including the affordability of a down payment, rising inflation rates, and the escalation of bidding wars, and

**Whereas** bidding wars do not stop at home purchases but have now transitioned to apartment rentals as a ripple effect of the real estate market, and

**Whereas** there is a profound psychological effect to those individuals who continue to be shut out of the housing and rental market as a direct result, and

**Whereas** both blind bids and open bids are bad for the housing and apartment market which can lead to a housing bubble, and while blind bids offer no transparency, both types create unrealistic values that helps the seller and the rental owner but hurts the purchaser and renter, and

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**Whereas** there are multiple sites that encourage and teach how to win at bidding wars, and

**Whereas** there is no comprehensive data or statistics that currently tracks prices for rentals, and

**Whereas** the Government of Ontario will be introducing new legislation with respect to blind bidding only which does not prohibit the seller from entering into a bidding war but, rather, would give sellers the option to "opt for an open offer process", and

**Whereas** the changes to the *Trust in Real Estate Services Act* provides an advantage to the seller(s) and largely weakens opportunities of the buyer and renter further adding to the disparity between the two;

**Now therefore, be it resolved,**

**That:** Both the Federal & Provincial Governments enact legislation that prevents both open and closed bidding on both rental units and residential sales, and further

**That:** Both the Federal & Provincial Government prohibit sales beyond the list price, and further

**That:** A copy of this resolution be circulated to The Right Honourable Justin Trudeau, The Honourable Doug Ford, Premier of Ontario, All Members of Parliament, All Members of Provincial Parliament, and all Municipalities for their support.

**References:**

<https://www.truenorthmortgage.ca/blog/how-the-blind-offer-is-hurting-the-canadian-housing-market>

<https://www.cbc.ca/news/bidding-wars-to-rent-a-house-in-ontario-tenants-and-agents-say-it-s-a-new-reality-1.6094412>

<https://nationalpost.com/news/canada/extremely-stressful-bidding-wars-no-longer-limited-to-purchase-of-houses-now-its-rentals-too>

<https://www.blogto.com/real-estate-toronto/2022/04/ontario-new-regulations-bidding-wars-homes/>

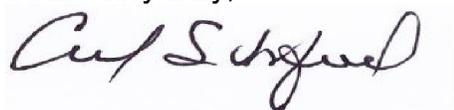
<https://www.cp24.com/news/ontario-to-allow-new-home-sales-tactic-that-would-change-the-bidding-process-1.5867054?cache=yes&clipId104062%2F7.493183>

<https://www.ontario.ca/laws/statute/s20001>

[https://www.gensqueeze.ca/housing\\_affordability\\_analysis](https://www.gensqueeze.ca/housing_affordability_analysis)

Thank you for your attention to this matter.

Yours very truly,



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CS:dlk

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All Members of Provincial Parliament  
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