



## EASTERN ONTARIO LANDLORD ORGANIZATION

News Release

March 30, 2020

### **EOLO calls on all landlords and tenants to play their part**

The Eastern Ontario Landlord Organization (EOLO) consists of the owners and managers of more than 40,000 residential rental homes in Ottawa, as well as many suppliers to the rental housing industry. Our members range from the largest private residential landlords in Ottawa to the owners of one or two rental units.

#### **EOLO's message to tenants:**

EOLO's members and our employees want you to be safe and secure in your homes. During the COVID-19 emergency, we urge you to follow the recommendations of Ottawa Public Health about hand washing and physical distancing (formerly known as social distancing).

We know that many residents have suffered substantial income disruptions due the COVID-19 emergency. For some, it will be challenging to pay the rent on April 1, 2020.

**EOLO's members will be as flexible as possible in collecting rent from those unable to pay their rent. We trust other landlords will be flexible as well.**

Here is our advice on what to do **if you cannot pay your rent** on April 1:

1. Reach out to your property manager or landlord by phone or online.
  - a) Explain your situation.
  - b) Offer to pay what you can.
2. Check into government income support programs you may qualify for.

Remember, **it is important to pay your rent if you can.** To keep buildings operating, clean, and safe, we need to pay our mortgages, operating costs and our employees' wages. Smaller landlords need to pay their mortgages and their tradespeople, and often depend on their rental income to live on. They too may have lost their employment or self-employment income.

As Evan Siddall, head of CMHC, Canada's national housing agency, tweeted:

"Like hoarding toilet paper or sanitizer, not paying your mortgage or rent if you're able to do so is a selfish and unpatriotic act. Our economy and people's jobs depend on those of us with means to keep spending. Pay your bills!"

All levels of government have already announced programs to maintain people's incomes:

- The Government of Canada has introduced the Canada Emergency Response Benefit which provides \$2,000 a month for up to 4 months to individuals who have lost their income as a result of COVID-19. The federal government is also providing a 75% wage subsidy for small and medium-sized businesses so they can keep people employed.
- The Government of Ontario has set aside \$148 million for assistance through Municipal Housing Service Managers, who will use the new Canada-Ontario Housing Agreement to direct more resources to tenants.

- The City of Ottawa will take applications for emergency social assistance, even if a tenant has applied for that within the previous 6 months.
- All three levels of government are providing increased benefits for many low-income people such as seniors, individuals and families with children.

### **EOLO's message to landlords:**

**If some of your tenants cannot pay their rent, be flexible in making arrangements with them.**

EOLO is engaging with the City of Ottawa, and our provincial and federal association partners (FRPO and CFAA) are working with the provincial and federal governments, to address the concerns of residential landlords.

- The Government of Canada and its agencies have called on the banks to provide mortgage or loan deferrals if customers need them, and the banks and other lenders have agreed. The deferred payments will have to be repaid later in the mortgage or loan term, but the deferral should not be held against the borrower.
- The City of Ottawa is providing everyone an extra 30 days to pay their water bills, and offering many people extra time to pay their past and upcoming property tax installments (with no penalties).

### **Government messages to landlords and tenants**

Despite recent one-sided headlines, government leaders have called on tenants who can pay their rent to pay their rent, and on owners to pay their mortgages.

- Evan Siddall, head of CMHC, tweeted on March 21:  
“Compassionate relief of mortgage and rent payments is NOT an amnesty nor an opportunity to save money. We must all pay our bills wherever we can. Leave relief to those who need it!”
- Steve Clark, Ontario Minister of Housing, wrote in the *Ottawa Sun* on March 27:  
“Tenants who can pay their rent must do so, to the best of their abilities. ... Of course, some landlords are also facing challenges, especially small landlords. ... Everyone needs to do their part right now.”
- Justin Trudeau, Prime Minister of Canada, said at his daily briefing on March 16, announcing COVID-19 income support programs:  
“Our focus right now is on ensuring that Canadians who are staying home from work have enough money to buy groceries and **pay their rent.**”

### **Conclusion**

To sum up,

- **Tenants with serious income shortfalls** due to COVID-19 should reach out to their landlords, and their **landlords** should accommodate them.
- **Tenants who can pay their rent**, need to pay their rent.
- **Tenants who need government help** should apply for it.
- **Landlords who need help** should use the deferrals the banks are offering, and if they qualify, apply for the income support governments are offering for workers.
- **Landlords who can pay** their mortgages and other building expenses need to pay them.

**Which tenants may need landlords to accommodate them regarding late or part payments of rent?**

- Tenants who have been laid off, or given zero hours, due to COVID-19
- Tenants who work for themselves and have little of their contract income, due to COVID-19.

Once the government relief money reaches tenants, many of those tenants should be able to make up their rent.

**Which tenants should be able to pay their rent?**

- Tenants working for a government (Canada, Ontario, Ottawa)
- Tenants working for government-funded agencies, like hospitals, nursing homes public schools, colleges or universities
- Tenants are still being paid at or close to their regular hours for work done at home
- Tenants working in essential businesses, like grocery stores or trucking firms
- Tenants who are living off their savings
- Tenants who are on social assistance or Employment Insurance
- Tenants who are retired and still receiving their pensions (either private pensions or the Old Age Security - Guaranteed Income Supplement).

**Which landlords need to defer their mortgage or other financing payments?**

- Landlords whose tenants do not pay their rent (unless the landlord can cover the shortfall from other savings)
- Landlords who have lost their own regular incomes because
  - They have been laid off or given zero hours due to COVID-19. or
  - They work for themselves and have little of their contract income.

**Which landlords can pay their mortgage or other financing payments (and should)?**

- Landlords whose tenants pay their rent
- Landlords who can cover the shortfall in rents from savings.

CMHC is the Canada Mortgage and Housing Corporation, Canada's national housing agency.

FRPO is the Federation of Rental-housing Providers of Ontario.

CFAA is the Canadian Federation of Apartment Associations.

**For more information or an interview, contact**

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