

## Finding a place to live

by BRIAN LOCKHART

A local fellow I know recently posted on a local Facebook page asking if anyone knew of an apartment for rent.

He needs a place to live and is being forced out of his current residence at the end of the month.

In the posting he said he was hoping to find a bachelor apartment and can afford rent of between \$500 to \$600 per month.

I happen to know this guy has a regular job, however it is a minimum wage type job. Whether he has a second job to make money, I don't know. Either way money is obviously tight.

Realistically, his chance of finding a place to rent at that price is going to be almost impossible.

I ran into this fellow at a local convenience store and asked him how his search was going.

He told me it wasn't going very well, and had a serious concern he was going to end up homeless in the near future.

Rental prices are at an all time high as demand has exceeded the current supply of places to live.

For years, it was the common thought that you should be spending around 25 per cent of your income on housing whether you were paying rent or paying down a mortgage.

That was a reasonable figure that would allow you to live, have extra money to pay bills and afford insurance premiums, as well as allow you to put some in the bank for a rainy day.

Currently, rent for a small one-bedroom apartment can be around \$1,500 per month or more.

That's \$18,000 per year.

A person making minimum wage in Ontario, and working a full 40 hour week, can expect to take home \$29,640. That \$18,000 in rent is over 60 percent of an annual income.

Take off taxes, and travel expenses to get to that job, food, and other basic necessities like clothing, and life is going to be very difficult.

The real estate market has also become increasingly difficult.

I was speaking to an agent in a town in York Region, who lamented the fact that none of her children or children of her friends, who had now grown up and were hoping to buy a home, could afford to buy a home in their own hometown.

They have simply been priced out of the market.

If you follow the real estate market, you know that rising prices have made home ownership unrealistic for many people who will never be able to save up a \$100,000 down payment in a market that is over inflated. On top of that, the cost of maintaining a mortgage of several hundred thousand dollars will prove difficult. Add to the possibility of interest rates climbing, and a monthly payment could skyrocket.

With homes selling for ridiculous prices and bidding wars driving the price up, many people have been resigned to the fact that home ownership for them, will never happen.<sup>7</sup>

It's not difficult to see why this is happening. Available housing is not keeping up with demand.

The federal government is poised to open the floodgates of immigration. Depending our sources, they will be allowing up 600,000 immigrants into the country in a single year.

Guess where they will most likely be settling? Here's a hint ? it won't be Nunavut, Newfoundland, or New Brunswick.

It may be time to re-think our current immigration policy and put on the brakes until our current situation gets under control.

If you think you're having trouble finding a place to live now, what's going to happened when half a million people land on our shores and need a place to live?

The Federal government needs to re-tool some ideas and start working on a plan that gets this country back on track with a livable income more in line with the cost of living ? not help drive up the price of a home by forcing thousands of people to compete for limited living space.

I know some people say it's ?easy to blame immigrants? for some problems. However, in this case, the numbers speak for themselves.

If we don't get this under control soon, a housing shortage will become a housing disaster and your children's hope of owning their own home will be a thing of the past.