

Rent control is a very poor idea.

Those who have studied rent control understand that it results in a lower quality of housing stock. Owners have much less incentive to make upgrades and repairs.

Rent control lowers the value of investment property, making it less desirable for builders and owners. Reduced desirability results in a lower number of units, further driving up rents.

If “society” determines that it should help a certain number of people with issues like housing subsidies, then by all means “society” should pay. It is blatantly unfair to place the pursuit of this goal upon the shoulders of one group (investment property owners). Targeting them would be a lazy, knee jerk way to attack what some consider low-hanging fruit.

There is also the concept of real estate cycles. These cycles are like gravity- one can deny its existence, but you cannot get away from its effects. We are certainly now at the top of a cycle, but there are already signs that things are starting to turn. We will certainly not be having this discussion a year from now. I know you must see all the construction cranes everywhere you look.

I hear talk about “fairness.” We all know that about ten years ago, things were very tough investment property owners. Most were losing money for several years, and some lost their property. I assume in the interest of fairness there will be a rent floor imposed to go with the rent ceiling?

The solution is MORE SUPPLY, not more artificial intervention. Thank you for your time.
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