

Submitter: Mendell Gosnell

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

I have been in the real estate and property management industry for over 17 years and must say that I continue to see the negative effects of poor legislation and this has to be some of the worst. These proposals will not help the rental industry nor the tenants. Also, I am not sure how you can limit the ability to increase rents but offer no help to curb the rise of expenses that landlords have to pay. If you have not noticed how much labor has increased in the trades industry alone you should check it out. The cost increases of labor and material in the last couple of years alone to keep up with the maintenance and repairs on properties has kept many of our owners just treading water and some have seen a decrease in their income. Please keep in mind that the bulk of the property owners that we manage for only have one home and have a mortgage on that home and they work a day job. Despite the media characterization of landlords, many are not rolling in money and are using rental properties as a way to subsidize their retirement.

Please note that the secret is also out as to the CPI. Despite what some agencies report the CPI numbers for inflation to be. We the people who have to spend our money on day-to-day items to live and survive have seen a much higher inflation rate than what is being reported. Leading many to call it the "CP LIE". So not only is the government proposing to limit rent increases, but they are controlling (or manipulating) the very numbers that are used to calculate those increases...thereby limiting them two-fold!

If you cap the rents even further this will force many landlords out, will reduce new building projects, and reduce the overall supply which will exasperate the problem even further.