

Roberta DiMezza

From: Kendra Furman <user@votervoice.net>
Sent: Sunday, March 16, 2025 1:10 PM
To: House Judiciary Committee
Subject: OPPOSE H5264 & 5676

Dear Committee Clerk DiMezza,

As a small landlord, I keep my tenants rent below market value. Unfortunately due to rising taxes and homeowners insurance my costs have increased over \$3,500 this year alone. Not including the increase in costs on things like gas which I provide, maintenance and improvements. If I need to increase rent due to these massive cost increases in order to maintain the property and not go bankrupt, I as the private property owner should absolutely have the right to increase rent. Even a 10% increase on my tenants rent would be \$100 and it would still be under the current market price. A limit of 4% means I can only increase by \$40?! How can a small landlord like me survive if that's what I'm limited to? This makes ZERO financial sense. Why would I rent if I'm going to lose money due to increasing costs but no ability to recoup that. This will make me a victim of over-regulation by out of touch bureaucrats.

There are numerous studies that show rent control reduced housing supply. Economists are in agreement it does not work for the following reasons:

1. **Market Distortion:** Rent control can distort the housing market by artificially setting prices below what would be determined by supply and demand. This can lead to shortages, as landlords may be less inclined to offer their properties or invest in maintaining them.
2. **Quality Decline:** With rent control limiting potential income, landlords might have less incentive to maintain or improve their properties, leading to a decline in housing quality over time.
3. **Allocation Inefficiency:** Rent control can result in an inefficient allocation of housing, as people who may not need the subsidy end up benefiting from it, while others who may need it more cannot find suitable housing.
4. **Reduced Investment:** Rent control may discourage investment in new rental properties or the maintenance of existing ones, as landlords may not see sufficient returns on their investment.
5. **Unintended Consequences:** Rent control can lead to unintended consequences, such as a reduction in rental housing supply, increased discrimination against certain groups, or a shift towards short-term rentals or other forms of housing.
6. **Market Segmentation:** Rent control can create a segmented rental market, where some units are rent-controlled and others are not, leading to disparities in rental prices and potentially exacerbating inequality.
7. **Administrative Burden:** Implementing and enforcing rent control can be administratively burdensome, requiring resources and potentially leading to inefficiencies in the housing market.
8. **The ability for a tenant to initiate a lawsuit for triple damages due to a possibly perceived violation of the rent control and termination guidelines set forth in this bill, could significantly clog an already burdened court system. Furthermore, most units require \$1,000's of dollars of repairs before being ready to rent again. How will a housing provider be able to afford such necessary repairs with such an arbitrary cap on rent increases at turnover?**

Sincerely,

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