

My name is Cesar Pascual and I'm proud to be part of the RI Coalition of Housing Providers and I have been a proud resident of house district 23, Warwick for the past ten years. I would like to thank the committee for taking the time to listen to us landlords speak and listen to our concerns.

I was born in the Dominican Republic and came to the United States at the age of six months with my mother. Our family lived in New York and New York became home for us. My mother immediately started to work in a clothing factory. However she wasn't able to get her own apartment until I was ready for the first grade. One of the reason why is because New York has rent control. Apartment availability in New York is very low since people with rent control never move out. People don't move because landlords can't increase rents. However these apartments are at the bottom of priority for landlords and don't invest in improving the apartments. My mother as ask me multiple times to make repairs to her apartments due to lack of maintenance. New York landlords put their focus in empty apartments that they can do full renovations to increase the rental prices. This lowers inventory and increases the prices of the availability apartments.

While my mother has an apartment at an affordable rate however my sister can't afford to get her own apartment. Instead she rents out a room out which she pays double the amount what my mother pays for rent. At the age of 21, I decide to leave New York for the military for a chance for a better life. After six years of service and many deploys including being part Operation Iraqi Freedom. I had decide to separated from the military, as a father of two young sons, going back to New York wasn't an option for me. I didn't want to put my sons through the same things I went through with my mother and in these small apartments at ridiculous prices. I wanted better for my sons and I'm very grateful for the sacrifices my mother did for my sister and myself.

I decide to come to Rhode Island because my wife was raised in Fall River and at the time my Father in Law was living Providence during my honorable discharge from services. I got here in 2005 and immediately started to look for employment. A year after I was hired by the post office and got into our first apartment. I work a lot of overtime and including Sundays so I can save money to purchase my first house. Within a year I was able to buy my first house which was a two family unit in East Providence. The house was dated and need repairs but it was my house. We lived in the first floor and for six straight months after work and weekends I renovated the second floor. My sons always wanted to help

and I found little things that they can do to help. After a year of ownership and all the work put in the house the market crash and house values crash. I held the property during that time while housing values were crashing and I also provided an apartment for a single mother during the housing crash.

After surviving the housing crash , I when through a divorce. I pick up my sons every weekends and decide to go back to school. The reason I decide to go back to school is because I Had the GI Bill. The Gill Bill cover my tuition and paid my rank salary from the military which is an E5. I work ten hours day at the post office and attended Johnson and Whales after work, earning a bachelors degree in finance. With the money from the GI Bill I saved the money and barrow money from my credit cards to have enough money for a down payment and six months reserve which was requirement for my second house purchase which is a three family house in Woonsocket. I spend two years improving the apartments and had my fair share of bad tenants because I didn't know how to proper screened them, while going to college , working at the post office and picking up my sons in the weekends.

Two years after the divorce I received full custody of my two sons and moved to Warwick were I bought my third property. As soon as my sons started to live with me, I started to explain to them the sacrifices I had made to build a foundation for them. I paid them to help with the property maintenance like snow removal and cleaning the properties yards and common areas also including repairing and improving the apartments during vacancies. To teach them the value of hard work and consistency.

I have sacrifice many nights , weekends, and vacations too improved the properties with my sons and also sometimes working alone. One of the reason I love real estate is because I can pass them on to my sons and build generation wealth. The skills that we learn together are priceless. The rental market isn't the easiest thing to do however my why is much greater than the sacrifices. If my sons and I can't benefit from it, We not going to do it, It's not going to be worth the effort. Rent control will destroy many landlords like me. Most of my friends are all small landlords and they all have sacrifice to acquire their properties as well. If landlords can't benefit for their work who going to provide the housing. We aren't going to invest and risk our capital. Rent control is a scary thing for us and it will destroy all the work we have put in.

Never before have I seen so much building in Rhode Island. That's because Rhode Island becoming an attractive place to live. One of the reasons is because people are getting price out of their current markets

like cities like Boston and New York . This is attracting investors to come and meet the demands to build in a growing market. However the last couple of years I continue to see more laws that intent to help tenants but instead are hurting the housing market and tenants which are they supposed to help. Rent Control isn't going to help our current grow demand for housing. Instead it's going to hurt our ability to bring more housing supply to market. Rent control will increase the barrier to entry reducing the amount of investors coming to our state. While demand keeps growing and housing supply isn't able to keep up, Property prices and rent prices will sky rocket. For instance I will demonstrate how rent control will hurt my own tenants. As a rule of thumb I only increase rents went my operations expenses increases like taxes, insurance and utilities rates increase or went someone moves out I improved the apartment and raise the rent a little closer to market rates after reinvesting in that apartment. Leaving everyone else at their current rates. This as given me the ability to provide the best apartment I can offer below market rates. However once there is rent control, I will be force to raise rents every year whether or not I have a vacancy or an increase in operation expenses in order to keep up with future expenses increases and maintenance repairs.

The Just Cause eviction policy has the potential to cause so much damage to landlords. As a landlord, we are in the people business were we are providing a services to them. A bad tenant can ruin us and cause so much financial damage . Just like my best friend's mother in law had a bad tenant put her in foreclosure. Her tenant went months without paying her rent and destroying her apartment. Empty apartments are no good to us. We want good people in our apartments. Just Cause will make it difficult for us to remove bad tenants from our units or have the ability to work with them to give them time to move out. I had an experience as a young starting landlord were I had a tenant with an aggressive dog. The dog ended up biting someone next door. I spoke with my tenant and gave her three months to find an apartment or get rid of the dog. She selected to find a new apartment. Now think about the cost and time it would've taken if I had taken her to court. All my leases have been month to month since day one. All my tenants has stay in my apartments more than three plus years.

In conclusion we as landlords are dealing with increase expenses as well and introducing laws that make it difficult for us to operate will reduces units on the market. Many will be ruin by these policies and many

will invest in different states. Rent control will cap our income while our expense keep increasing year over year at high rates. Just Cause will force us to look for the perfect tenant with this policy, I wouldn't be able to give a chance to a young couple 13 years ago. They were my tenants since 2012 and just recently move out of state. Instead of copying states with policies that have fail to reducing prices like rent control and making it difficult to operate. There isn't one case study that have shown that price control works. They all lead to less supply and higher prices. Look at the states with policies that are business favorable which increase competition and more supply which is the solutions to higher prices. We don't want to be strip off our properties right and have limits on how best to run our operations. These policies are forcing me to reconsider wether or not I want to keep investing in Rhode Island. We aren't the problem, we are part of the solution. Work with us not against us. Thank you for your time .