

Robert Howe
Brunswick
LD 1806

I am writing in opposition to LD 1806 as currently drafted.

My wife and I own a total of six rental units in Brunswick and Augusta. We are both retired and our sole means of income are our rental income and Social Security benefits. We manage the properties ourselves except for work requiring a licensed contractor.

With one exception, our units are quite a bit below current market rates because we owe nothing on them and we understand the need for affordable housing.

In Augusta our four rents range from \$950 for a one-bedroom apartment to \$1,040 to \$1,650 for three spacious two-bedroom apartments. We provide heat, water and sewer. This building is located very near the state house, capitol park, the YMCA and the river trail. Two renters, including a state employee, walk to work.

In Brunswick, we owe two single-family, two-bedroom rental houses with onsite parking and backyards. Until recently, one rented for \$1,725 per month (see below). We see nothing comparable for anything below more than \$2,000 per month, with some newer one-bedroom apartments going for as much as \$2,100. The other house rents for \$1,725 and that includes a hair salon along with the business owner's residence. The market rate for the house and business appears to be around \$3,000 per month. Renters pay their utilities.

I have read the entirety of LD 1806. What is not clear to me is the purpose of the rental registry. If it were merely to assist renters in finding units, I would have no objection. Nor do I object to the idea that a municipality may access rental information.

However, I do object to the prohibition on serving a notice to quit for nonpayment of rent if a unit is not registered. And I **VEHEMENTLY OBJECT** to the provision that prohibits a notice of quite for nonpayment of rent for 120 days after registration with the Secretary of State.

My position on this last provision is informed by a very recent experience in Brunswick. We had tenants we knew had done some physical damage to the property, but we were giving an opportunity to repair the damage. In November of last year, they stopped paying rent, so we served them with a notice to quit for nonpayment. We obtained a judgement from the district court, but it was more than two months before we were able to get them to vacate the property.

When we finally entered the property, we found much more extensive damage than we expected, with a cost to us of nearly \$20,000 to repair. In addition, we were out about \$7,000 in lost rent and legal fees. This included the six months the property was uninhabitable while repairs were being made.

We had to increase the rent to market rate (\$2,200) for the first time in order to try to recoup our losses within the next five years.

At the very least, I ask that you remove the provision prohibiting a notice to quit for 120 days after registration. This could cost us as much as \$6,000 to \$12,000 depending upon the rental unit, if we were to encounter another situation like the one described above. We hope to avoid such a situation, and have tightened our requirements for renters. But a repeat situation would likely necessitate increasing one or more rents to market rates which we would prefer not to do.

Sincerely yours,

Robert S. Howe

member, 108th and 109th Maine legislatures