

From: Christian Brannelly <cbrannelly@chestnutrealtyllc.com>
Sent: Wednesday, April 23, 2025 9:44 AM
To: Cmte HED
Subject: Please oppose LD 1534

This message originates from outside the Maine Legislature.

My name is Christian Brannelly. I am Managing Director of Chestnut Realty Management. We own ~400 units in Maine within 4 separate communities (two communities totaling ~200 units in Portland and two communities totaling ~200 units in Scarborough). We are Boston based and we love Maine and its community – particularly the greater Portland community.

As an investor and community advocate, I want to express that the frequent, burdensome, rule changing administrative requirements are taking its toll on us. The amount of confusion and frustration we have undergone with respect to the Portland rent control situation is significant. We join monthly calls on the Portland rent control subject – not to try to circumvent the issue, but to just try to generally understand what is required and to try to ensure that we remain in compliance with local law. This is not a good use of ours or the city's time. Further, it is quite unfair that our property taxes continue to increase (as much as Portland so decides) but our rents can only increase at 75% of CPI – sooner or later our net income will deteriorate annually because of this unfair burden (as our expenses go up at 100% of CPI). Also, sadly there will be future instances where we have to weigh renovations against the amount of capped rent we can receive – which will inhibit our ability to reinvest into our properties. Within our communities, we would never previously weigh our return on doing renovations (as we don't weigh that in Scarborough currently)...but we now have to because we need to make sure we are not investing good money with zero return.

LD 1534 seems to further exacerbate these same issues – if towns have all of their own rules with respect to rent control, evictions etc, then we simply cannot invest in those towns because we do not and cannot know all of the rules and we want to continue to always abide by local law. It's not a reasonable exception for us to be able to hire property managers who know all of the rules (if they are always changing so often and vary from town to town), therefore, if this were to pass, we will be unable to invest again in Maine multifamily. Further, no-cause evictions would be overly burdensome to Landlords like us who simply want to lease units to good-actors at fair market prices (and for us, in many instances under fair market – because that's how we operate) – if we are forced to keep bad tenants, we cannot invest in those communities or projects. We cannot withstand the confusion chaos that LD 1534 would cause with counsel, tenants, property managers, courts etc.

LD 1535 would discourage new housing development and investors generally.

Thank you for reading--



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