

LD 2231 Testimony

Dear Senator Curry, Representative Gere, and the distinguished members of the Joint Standing Committee on Housing and Economic Development,

I'm a MHC owner in Maine I support LD 2231. I do, however, feel that Section 11 could be improved.

For every buyer who is willing to perform diligence and understand the financial impacts of the infrastructure, there are two buyers willing to buy a property sight unseen. A law requiring buyers to do inspections will drive down sale prices and drive out spreadsheet-all cash-quick close buyers. It will also hold sellers accountable for their level of investment during their ownership relative to their sale price. This combo should drive down sale prices into reality. This slows down the need for large rent hikes to meet mortgage payments plus infrastructure needs following a sale.

I think the list of inspections the State expects needs to be specific to safety and habitability, it feels flimsy as written currently with verbiage like "includes, but not limited to" to me this implies that the State doesn't have clear expectations of what to inspect.

Before a closing happens between a private seller and buyer there should be an affidavit sent to the state confirming inspections were completed, something in line with the proof that a seller offered their property to the tenants.

Did you inspect the following using a 3rd party?

1) Water system

- *Private water system: inspection by licensed water operator.*
- *City Water: No inspection is possible as the water system is buried*

2) Black Water System

- *City Sewer: camera inspection by 3rd Party*
- *Private- 3rd Party to pump tanks to check condition, saturation test of leach fields, Inspection of waste treatment plant where applicable*

3) Electrical System- Inspection by a Licensed Electrician

4) Hazardous tree survey - Inspection by an Arborist

5) Phase 1 Environmental Survey - 3rd Party company

The roads and sidewalks don't need a 3rd party inspection to know if they are bad, I would remove this. If an owner wants a quote on a paving job, they can do that as they see fit.

I saw digital connectivity in the proposal, that infrastructure is owned by whatever company provides phone and internet so it won't be relevant to this law as it doesn't affect the park budget. Additionally you won't find anyone to inspect phone and internet, if you've ever tried to call an internet provider for onsite assistance to move a wire during a project, that's like trying to grab a cactus, they aren't going to do a 3rd party inspection of condition, ever.

I wouldn't say "landscaping" I would say Hazardous Tree Survey. The State should be insisting on inspections for safety and habitability only.

When a seller kicks off the process of selling and reports the intent to sell and notifies the tenants, the State agency should probably send them a notice reminding them of the requirements of a buyer to do inspections. You don't want to get to the point where the sale has already happened and the new owner is licensing the property for them to realize they should have done inspections.

Thanks for your time & I encourage you to support this bill with some changes to Section 11.

Samantha Beers