

March 2, 2021

The Honorable Kumar P. Barve
Environment & Transportation Committee
House Office Building, Room 251,
6 Bladen St., Annapolis, MD, 21401

RE: HB 1283 Real Property – Residential Leases – Rent Restrictions

Dear Chairman Barve:

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in the discussion surrounding **HB 1283 Real Property – Residential Leases – Rent Restrictions**. MBIA **Opposes** the Act in its current version.

This bill would prevent landlords from increasing rents by more than 0.2% every 6 months. MBIA respectfully opposes this measure. The standard inflation rate in the US year to year is 2% and this bill would prevent rents from keeping pace with inflation mandating the devaluation of a landowner's investment. This would drive landlords to set higher initial rents in order to anticipate the period of time where their rents would be devalued, driving consumers out of the market and making it more difficult to provide affordable housing.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment & Transportation Committee