

REGIONAL MANAGEMENT INC.

**Testimony of Regional Management, Inc.
House Bill 477 - Unfavorable
February 9, 2024**

For over 60 years Regional Management, Inc. (RMI), a founding member of the Maryland Multi Housing Association, has managed over 5,000 affordable, unsubsidized rental homes for Baltimore City and County residents. We voluntarily serve lower and middle income customers because that is our mission and market niche and we provide these services without taking any Government tax breaks or requiring our customers to seek any government subsidies.

Our rentals are well planned, sustainable, multifamily garden and townhouse style housing, with mature trees and landscaping and at an average age of 40 years old, all of these units remain attractive, affordable and well maintained.

Regional Management, Inc. Opposes HB 477's incursion into the Lease Contracts between landlords and tenants. HB 477 nullifies the contractual balance under current law by allowing a tenant to end their lease at any time but forces the landlord into an infinite relationship contingent upon proof of some transgression of the tenant. This is not what either party bargains for.

Lease contracts are designed to and, by their very nature are, finite agreements whereby a tenant is allowed to possess a Landlord's rental unit for a given period of time. These contracts are not an unlimited grant of the property to the tenant. Renewal of the lease is predicated on notice and nothing else. The Landlord can, per the terms of the contract, end it at the given expiration of the contract as long as proper notice is given. This simple relationship is clear from the time the lease is signed by both parties.

It is irrelevant that HB 477 is drawn so that individual jurisdictions can decide whether or not to enact such a law, it is the destruction of the important balance of contractual rights between landlords and tenants is unnecessary and in fact is likely unconstitutional.

For the foregoing reasons Regional Management, Inc. requests an unfavorable report on House Bill 477.

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