

To Whom It May Concern,

My name is John Stiles. I am a Minnesota licensed real estate agent, resident and landlord.

I understand that there are several changes being proposed to MN Landlord-Tenant laws.

Please consider my comments prior to any official changes.

I would first like to request that the Senate Housing Committee facilitate robust conversation between representatives of all interested parties before making sweeping changes to the law. These types of changes often have unintended consequences and should be fully considered before they are put into wide-spread effect.

As an active member of the real estate community I know that it is becoming less and less desirable to do business in Minnesota due to regulatory burdens in addition to rising operating costs (including property taxes). Those that have money to invest in real estate have many locations to choose from and several people are deciding to invest elsewhere. As investment flows away from Minnesota we will continue to experience affordable housing issues due mainly to a lack of housing supply.

I know affordable housing is a key priority in our state and so I encourage you to promote policies and laws that will incentivise and enable greater growth of housing supply rather than restricting a landlord's ability to do business in this state.

That being said, I have great concern with several of the changes that are currently being proposed.

For example - requiring landlords to participate in any and all public assistance programs (i.e. Section 8) is not a good change. The section 8 program has various burdensome requirements in their contract that not all landlords should be required to comply with. It has been and should continue to be a voluntary program so that those landlords that are best equipped to work with the program can continue to do so.

Another concern that I have is with the limitation of crime-free lease provisions. It is essential to our business that we provide a safe environment for all of our residents. To that end we always prioritize screening our residents to make sure that we are not allowing violent offenders into our communities. Removing the ability of a landlord to protect their property and other residents puts everyone in danger.

The third issue that I will mention today is the 14-day pre-eviction notice. It should be noted that the majority of landlords avoid evictions whenever possible. It is a tool that we leave as a last result. Unfortunately there are residents that give us no other choice. This change will allow many people to take advantage of the system and landlords. Landlords have lost significant revenue due to a resident's failure to pay what they have agreed to. In what other industry is a

customer allowed to take the product or service and not pay for it? In what other industry is a customer allowed such unilateral freedom to break a contract. The landlord has assumed significant risk and responsibility by deciding to provide housing options. They should not be burdened with these type of significant changes that make it difficult to continue to operate a viable business.

There are several other concerns with the proposed changes that will cause good landlords to choose other locations for their investments. This will result in fewer housing options in Minnesota and will hurt the very people you are trying to protect. For that reason I request that additional time and discussion be given to these topics before official changes are made. Please consider what is right and just for all by listening to feedback from housing providers. And know that we value the residents of our communities as they are our customers.

Thank you for your consideration.

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