



**Dan Acton**  
**House Bill 47 Interested Party Testimony**  
**House Ways and Means Committee**  
**April 2, 2019**

Chairman Schaffer, Vice Chairman Lipps, Ranking Member Rogers and members of the committee, my name is Dan Acton and I am the Government Affairs Director of the Ohio Real Estate Investors Association (OREIA). OREIA represents 12 local chapters across Ohio whose membership consists of the smaller real estate investors and housing providers who typically own single family housing units. My background has been more than 30 years in the property management and ownership industry. I am providing a brief statement of support on House Bill 47.

OREIA appreciates the effort of Representative Greenspan to bring this issue to our attention and for the consideration to you and your colleagues. Allow me to share a little about a typical investor. Our members in many instances own a portfolio of properties, sometimes as few as 3 or 4 and as many as over 200. The properties are typically single family homes, up to quads and sometimes smaller apartment buildings, with a few owning some commercial investments. There are a variety of loans that are taken out on properties. Many times, an investor will take equity from one property to assist in making repairs to other investment properties.

OREIA is interested in this bill because we want you to understand that investors operate on razor thin profit margins for a property. An unexpected repair, a tenant who does not pay rent, terminates a lease early or vacates without notice, unpaid water bills, or any layering of government fees that we are subjected to reduce the profits for a property owner that could otherwise be used to reduce the overall debt on the property. The opportunity to challenge a property tax is one of the tools that our members utilize to try to squeeze precious resources out of properties. Our members invest in neighborhoods and we want strong returns on our investments,

and this comes from improved property valuations. However, there are times that our members need to challenge the valuation that may be out of line. We appreciate that we have this option in Ohio. We are aware anecdotally from some of our members that there are some requests for revision that have been delayed because of the large backlog in the system in certain counties. We understand that government works at its pace and in these cases, there are collectively millions of dollars at stake, so we want to ensure that the procedure is fair and due process is maintained. Providing additional time to the process seems to be a possible solution to this problem. However, in previous testimony it was shared that Cuyahoga County Board of Revision was expecting 12,000 complaints for tax year 2018. Perhaps it lies in the county auditor's office to assess the tax more accurately in the first place and avoid significant challenges. Additionally, we question whether the increase in tax challenges around the state are coming from political subdivisions, specifically school districts.

As an interested party, OREIA understands the need for flexibility this change provides in the law. Again, we thank Representative Greenspan and members of this committee for working to protect property investors who are trying to use the tax revision system.

Thank you for the opportunity to provide input.