

OHIO REAL ESTATE INVESTORS ASSOCIATION GOVERNMENT AFFAIRS COMMITTEE

TO SUPPORT GOOD GOVERNMENT THAT IMPACTS THE PROFESSIONAL INVESTMENT PROPERTY INDUSTRY AT STATE AND LOCAL LEVELS. OREIA 3707 Warsaw Avenue, Cincinnati, Ohio 45205 <u>Email: legislative@oreia.com</u>

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John Grosmann House Bill 282 Proponent Testimony House Financial Institutions, Housing, and Urban Development Committee November 28, 2017

Chairman Dever, Vice Chairman Sprague, Ranking Member Smith, and members of the House Financial Institutions, Housing, and Urban Development Committee my name is John Grosmann and I am a member of Ohio Real Estate Investors Association, National REIA, Greater Dayton Apartment Association, Ohio Apartment Association, and the National Apartment Association. I am providing a proponent stement for HB 282 on behalf of OREIA. This bill is a long time coming!

I've owned rental property all over the country. Ohio is probably the most "pro tenant" state in which I've done business.

The real estate investment industry—and it is an industry, notwithstanding the attitude of many legislators, government jurisdictions and bureaucrats. The fact is, our commodity is housing and when discussing issues of housing, it is easy to let emotions affect decisions. When you take the aggregate amount of money spent on construction, maintenance, utilities, supplies, salaries, taxes, etc., in many parts of the state it is the largest industry.

Although we have a huge positive financial impact, our "bottom line" is negatively impacted by us not having the same protections and ability to influence our "customers", i.e. renters as do other industries. If someone shoplifts from Kroger they can be criminally charged. If someone doesn't pay for their Marriott hotel room, they can be criminally charged. If a person drives off and doesn't pay for their gas at Speedway, there are ramifications from the government.

But we allow renters to basically "steal" our properties by not paying rent and damaging the properties. Our only recourse is taking civil action. Our average damage cost is between \$2000 and \$3000. We've had a renter's "boyfriend" take a baseball bat and punch holes in the walls; however, this is minor, compares to the experiences other rental property owners have endured. Some examples we have heard about are: pouring concrete down the toilet, stopping up a sink drain and leaving the water running, and turning off the heat in winter and opening windows.

The first comment we hear from politicians and bureaucrats when we are discussing rental issues is "you should screen better". Everyone that I know in this business screens religiously;



however, no amount of screening can ensure the integrity and honesty of a renter. Some of you have probably been business owners or been involved in businesses or organizations that had to fire an employee for criminal act(s) or dishonesty. Why didn't you or the business/organization do a better screening job?

I ask you to support HB282.

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