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Date: 10/30/2022

ADM File Number: 2020-08

Comment:

My name is Sandra Dell and I'm proud to say that for over 30 years I've educated homeowners in Michigan on ways to reach their dreams using property investing- whether that's to try and save for the increasing cost of college for their children, an ever more difficult economy to retire in, or to pursue the dream of building something that will enable them to leave a grueling job.

I am the President of Innovative Property Management Inc. a company I started with my husband out of our home decades ago, hoping it would provide a better life for my family. Now we work with hundreds of homeowners around Genesee County, just like us, who have learned that although investing in the rental market is often challenging, if you work hard at it, it can become a much needed safety net for you and your family.

Most of the rental property owners I represent are small mom and pop homeowners who are investing in our communities and providing a critical service. I have never met a property investor who wishes to use the court system to remove a tenant. An eviction is the opposite of what a rental homeowner is trying to accomplish. It causes pain for everyone involved, financially and mentally.

One of our responsibilities to renters is to ensure a home is within their financial limits before renting. This is why even when life happens, i.e. a renter loses a job or experiences a personal loss, it is far preferable to work with them on a solution than to pursue an eviction. Typically it is a temporary situation, and doesn't last very long. Historically the eviction process is costly and time consuming, and no one wants to go down that route. It is a last resort. However, this does not mean eviction is not necessary, sometimes. We live in a world where not everyone represents themselves with integrity. Circumstances can become such, that a renter can endanger the financial stability of an entire family.

During the last few years, new rules for eviction under Covid understandably were put into place to safeguard people from losing a place to live if they could not pay. While the new rules kept some renters in their homes who were financially at risk, it incentivized many others not to pay when they could still meet their financial obligations knowing there was no recourse that could be taken against them.

The same courtesies were not extended to homeowners who have had mortgages to pay and other obligations reliant on their income properties. With renters who aren't paying, ongoing delays in court dates have cost homeowners tens of thousands of dollars in lost income. Municipalities have not given a moratorium on property taxes during this period, or the fees for licenses to rent a property, or the payment of property insurance, or any other monetary obligation a homeowner has.

The rules have put an unimaginable financial burden on property owners who have used their life savings or their credit to obtain mortgages in the hopes of doing the right thing for their future. There have been months where no opportunity existed to seek recourse for bad actors. Many owners have had to make painful decisions- file bankruptcy, give the homes to the bank that holds the mortgage or try and sell them at a loss along with a tenant who is not paying.

For 60 years prior to Covid, by and large, the existing social contract between property owners and their tenants ensured neither party took advantage of the other. Although not perfect, the eviction process has been a tool in extreme conditions to be used. I cannot stress enough how the passing of MCR 4.201 continues and compiles unnecessary additional financial burdens to property owners and their families held captive by their tenants, and will create further delays to a system overburdened by economic realities of the past two years.