

I am Heather Kelly from St Albans. My background is in real estate and property management with over 20 years of experience managing rentals, dealing with thousands of tenants and leases over my career. I have experienced every situation imaginable. For the last few years I have owned a small property management company in Franklin County that focuses on helping landlords run their properties well with a focus on making sure tenants are taken care of properly. I do not personally own rental properties, but I do represent many property owners that do and struggle with the current statutes and requirements. Over everything, I consider myself a tenant advocate. My personal and professional opinion is that the unbalanced laws are intensifying an already difficult housing situation. You have taken a lot of testimony from one side or the other but I feel as though I truly understand the balance needed to protect both sides and wanted to express my view of the situation.

I have watched through this session's videos of testimony and committee discussion and had some things to add or points to clarify. My main concerns, which I have testified here previously about, are the unintended consequences of the current statutes and the changes that are proposed. While I understand that we all have concerns about the housing market, lack of housing, and difficulty for many to find housing, I am not sure the Landlord Tenant Statutes are the best place to try to resolve those. It seems like many agencies and tenant advocates want the laws to protect tenants at the expense of the landlord which is in no way balanced. This lack of balance has forced landlords to raise their rental criteria to limit their risk which has made a bad situation worse. In my opinion, the only way to right this ship is to add protections for landlords against bad and non-paying tenants. Then and only then will landlords be able to take risks on applicants that aren't perfect. I also want to state that the understanding of current statutes are one thing but understanding them in practice is more important.

Landlord Tenant laws should not be written as a way to correct a housing failure. Vermont property owners that are providing housing should not be the ones required to fix this multifaceted failure. If we want to ensure folks are not left with nowhere to go, we need to create or repair the systems to help these tenants but we can't put the financial responsibility solely on property owners. If a tenant fails to pay rent, there are services to help but it is still their responsibility to pay or vacate. If a tenant has caused a lease violation, it is their responsibility to correct the violation or vacate. If a tenant cannot fulfill the obligations of the lease, they need to remove themselves from the property in a timely manner. At the beginning of the rental relationship, a landlord and a tenant make an agreement with terms typically in the form of a lease agreement (written or verbal). If either party fails to meet their responsibility, the lease should be able to be terminated, especially upon expiration. If a landlord isn't doing what they are supposed to, tenants have steps and resources to remedy those. If you don't feel that those resources are doing enough, let's work on improving those resources.

One piece that I feel needs to be addressed is terminology. The terms "No Cause Eviction" or "With Cause Eviction" describe a court judgement but they are terms used in places I don't think they belong. If a tenant receives a notice of lease termination from the landlord at the end of the lease term or during a lease term for lease violations or nonpayment, it is just that, a lease termination notice. If the tenant does not vacate at the end of that notice, a landlord can choose to file a formal eviction with the courts. If the tenant moves as requested, it was simply a lease termination. An "eviction" is a court process. When a lease end date arrives, both parties should have the option to continue the lease with a renewal or month to month status or both parties should have the option to terminate the lease if it isn't a good fit. A lease agreement is a contract with a start and an end, to ask landlords to keep a tenant

indefinitely does not make sense. Often, a rental unit needs to be turned over to make necessary repairs to keep it in good condition or bring it to up to code. It seems some tenant advocates don't want landlords to have the ability to terminate a lease when it ends despite that being the reason for a lease agreement in the first place.

I think there is a big gap in why landlords do what they do and why tenant advocates think landlords do what they are do. VT Legal Aid sees one side and to my understanding or experience doesn't try to speak with the landlord to see what the real issue is or how the issue could be mitigated. In the testimony of VT Legal Aid, their slide show stated that in the last 5 years private landlords have raised rents 40% while multifamily dwellings sales prices went up 71%. That alone shows that they have data to show why rents are going up and it's not always erroneously. Property values have increased, which means any property that sells will see an increase in rents based on the market prices that are being paid. Not to mention taxes and cost of goods and labor. Many landlords have kept rents low due to their low expenses but when they sell the building, the new landlord's expenses may be significantly higher due to current sales prices and mortgage rates requiring a larger than normal increase. This is unavoidable when real estate turns over after a spike in market prices.

When it comes to the timelines and the fear that any of this is too fast or sneaks up on renters, that is just not the case in my experience. Especially with non-payment terminations. The tenant knows when rent is due, they know they haven't paid the rent, the landlord sends the required notice that can give them as much as 30+ days. Generally, a landlord will attempt and welcome communication to work with a tenant to get payment and to make the process easy without the need to file with the courts which is more expensive and timely. If it makes it to the point of going to court and a judge making a decision, the tenant has had plenty of time to make other arrangements, get assistance or guidance on the procedure, or vacate and give possession back to the landlord.

In my view, the current Landlord Tenant statutes have caused many of the scarcity issues for the renters that need a little more grace. Since the laws, in practice, drags the process out and in no way tries to help the landlord recoup unpaid rent, landlords have to avoid renting to folks without stellar credit and references. So now the renters that advocates are fighting for are in a worse spot because landlords can't take risks. Some of it comes down to the judges as, again in my experience, will look for any error from a landlord to delay cases even in clear non-payment situations. I have a current eviction with a landlord without a federally funded mortgage and had to start over because the attorney did not provide proper proof of no mortgage on the CARES ACT form. And despite the CARES ACT sunset, we still have to give 30 days plus mail time to those tenants instead of 14 days because the Vermont Judiciary incorporated this requirement into the Rules of Civil Procedure.

I spent the majority of my career in Florida which is on the opposite end of the spectrum of Landlord Tenant law. In Florida, a nonpaying tenant receives a 3 day notice after the grace period expires, if not paid within that time frame, the court process from start to finish with an uncontested case takes under 45 days. A contested eviction for a lease violations can take longer, especially if the landlord is in the wrong. In my opinion, the ease of removing non-paying or troublesome tenants is also the reason why it's very easy for any tenant to find housing quickly with low barriers. Florida landlords are able to take risks on applicants that don't look perfect on paper. Low credit scores, low income, and lack of rental history are not barriers in places where landlord tenant laws give landlords more tools to remove those

tenants that they chose to take a risk on. What I immediately noticed moving to Vermont and practicing property management was that landlords simply cannot take risks. My own qualifications are higher than I would like but I cannot place a tenant that has any possibility of causing issues. 6 months of lost rent isn't an option for any of my landlords. Current statutes have created an unhealthy rental market. Any yes, the housing shortage has created a homeless epidemic but that is corrected with more services and more housing, not adding to the burden of landlords.

Post Eviction/Personal Property - Additional time after the tenant has been removed to deal with their personal items isn't necessary and just puts an additional burden of wasted time and expenses on a landlord when all they want and need is the ability to turnover and re-rent the unit. The final step of an eviction is in no way a surprise yet the VT statute gives tenants more and more time to leave and to remove their items but is never concerned with the landlord being made whole for lost time and money. Allowing a tenant to have more access to the rental to remove the items they failed to remove by the court ordered deadline makes no sense to me and in reality causes more issues with allowing them to return. We are talking about someone who has lost in court after months and to extend their time even more simply causes more problems. While it is devastating to lose all of your items, this again cannot be the burden of a landlord that is already at a loss with no way to recover any lost funds or time. On top of that, having a two-step possession transfer means two Sherriff visits in most cases as well as time for the disgruntled tenant to cause more issues and more damage. In that same category, a writ of possession is a court order that should be served by a professional whether that is a Sherriff or something equivalent, never a landlord. As far as dates allowed after the writ, in reality it really is situationally dependent. If this is a simple non-payment with no attempt by the tenant to pay, 5-10 days makes sense since they know when rent is due and if they have paid or not. In the situation of a tenant/landlord dispute, lease violation or hoarding situation where the tenant actually has a case to argue the termination and may actually be surprised by the termination, judges have discretion to give more time and if no resolution is made, they set a reasonable amount of time for the tenant to vacate based on any challenges the tenant may have. This seems equitable to me, not a set time across the board that has no subjectivity. It should also be noted that a tenant does get notice of the deadline if they chose to participate and show up to court so the door posting by the Sherriff is not a surprise.

Confidentiality - In Vermont, the chances of a landlord recouping anything left owed by a tenant is basically non-existent. Especially with some of the proposed changes of landlords not being able to inform credit bureaus or make evictions public record. This means an average 6 month eviction process of a non-payment tenant whose rent is \$1500, if no damages are made to the property (which is not typical), the landlord is now out \$9000 plus attorney fees. Even when a judge rules that the tenant is in the wrong and has to vacate or be removed, a landlord will never recoup what is they are owed. This is why shortening each step of the process to make evictions "for reason" under 60 days is what is needed to balance the system. If it is the landlord choosing to ask the tenant to leave for no fault of the tenant, require a landlord to provide more notice but don't make the eviction part of the process drag out any

longer than needed. The judge has the ability to side with a tenant and give them more time but statute should not lengthen that process across the board. If we have concerns about a tenants ability to understand this process, lets add a requirement to attach the details of the process including resources to use along the way so that they can educate themselves. Let's work on resources and Landlord Tenant Liaisons to work out these issues before they get to the court process. For both sides, a simplified process makes more sense for all parties.

Application fees – Landlords generally use a third party to run a credit and criminal background check to vet applicants as part of their application process. In many cases, the third party gets approval and payment directly from the applicant. In other areas of the country, “admin fees” are also charged to cover the time and labor of processing applications. I understand this not being allowable in VT as it can be inflated erroneously. It is standard in every industry for the applicant to cover the actual cost of a credit check and doesn't make sense for a landlord to be responsible for this fee. The recommendation of allowing a tenant to provide the report to avoid the fee doesn't work in practice for many reasons. Mainly, while a tenant may have their credit report, they do not have the criminal and eviction report that a professional service will offer. The other issue is that documents can be edited (even PDF's) and I have seen it happen several times in my career so I personally only trust a report directly from a credit service. Something that would benefit tenants during the showing process to limit landlords who require completed applications including credit checks to simply view a rental. As a property manager that deals with several dozen lease ups each year, I rarely run more than one credit/background check per unit and never require an application to view a rental. As an example, I use TransUnion SmartMove that does a soft pull for \$47 currently. Zillow offers a softpull credit/background check that can be used by all landlords that accept their applications for \$35 currently.

Rent Increase Cap – I don't personally like a rental cap and feel a balanced market would help control price gouging and stabilize rents. Limiting rent increases to once a year just means larger increases so I also don't think that helps in practice. More notice for an increase is easy for landlords to accommodate and gives tenants more time to negotiate and shop for housing that may be a better fit for them.

Sale of Building - In H.772 - Is the suggested 90 day notice to tenants for the sale of a building based on the actual sale or listing of the property (keeping in mind some properties are sold off market and never “listed”)? In practice, property owners generally give some type of notice to tenants that the property is for sale so they are aware of showings and property inspections that will be happening. Once under contract, the required 30 days notice to vacate is given, only when required by to the purchase and sale contract. When listing a property, we never know if the buyer will want tenants to stay or leave so giving any notice to vacate prior to this point is not always necessary. Buyers needing the unit vacant

will want tenants fully vacated prior to closing as to not inherit any issue. This is typically necessary when a new owner needs to owner occupy within a certain timeframe required by their mortgage terms or if the current state of the property is inhabitable.

Security Deposit Cap – A two month deposit cap is great but will rule out tenants with pets and an estimated 65% of renters have pets. 2.5 months' rent as a deposit seems more reasonable. Generally one month deposit is requested for a good applicant and an additional month will cover a conditional applicant (someone with no rental history, low credit score, or low rent to income that may not generally get approved otherwise). As far as refunding a security deposit prior to actual move out, the 14 day timeframe is almost always necessary to evaluate damage and get estimates for repairs. Until all personal items are removed, a real evaluation cannot be completed.

I wish that personal stories didn't have as much sway on law making as they do but since they do, I will share mine. This is a real life, current situation that shows the current situation is not working. I currently have a tenant under eviction for nonpayment. Young guy, qualified for the rental and moved in in 2022 but constantly paid rent late. I always worked with him as long as he communicated when he would be late, let me know exactly when he could pay, and then met that promise to pay. In August 2025, he had not paid nor communicated with me about paying late. On August 13th, I sent him the 14 day lease termination notice which is ultimately just a late rent notice and demand for payment. Please note that this notice is required to have extra days buffered in for mailing time which really makes it about a 19 day notice. This notice would allow him to get rent assistance and set a tangible deadline for him. One day he would say he was going to pay or his parents would be paying or he would be moving but nothing happened. Then he said, well Legal Aid said I don't have to pay until the deadline so I will wait. This caused him to now be two months past due. We sent it to an attorney, the judge scrutinized the fact that the property did not fall under the CARES ACT (so not government backed mortgage or rental assistance) which wasted several weeks. The Sherriff's Office took several weeks trying to serve the paperwork with several attempts that were never successful. Eventually a tact order was given so the Sherriff's Office could just post it on the door. That process took another several weeks and was finally completed on 1/1/26 and gives the tenant a 21 day response. At our court date last week, the Judge was not satisfied with the way the attorney filled out the CARES ACT form and regardless of not having a mortgage that would require the CARES ACT additional notice of 30 days plus mail time, we have to refile the document. We are now owed 7 months' rent with hopefully an end in sight. When all of this is done, this tenant will owe the property owner over \$10,000 after the security deposit on hand is applied. Despite having an attorney representing us, the process is so convoluted that even they can't keep us on a speedy track. All while the tenant makes no attempt to pay rent. It has also been mentioned that the owner should not have the right to attempt collection on this amount owed once the process is completed, report it to the credit agencies, or have this information available for future landlords to see. This is in no way equitable for landlords and the biggest reason landlords are holding apartments vacant instead of dealing with the possibility of a bad tenant again. If a tenant moves out owing money, that becomes a collection and a landlord should be able to report it to a collection agency and a landlord should be able to attempt to collect. Other landlords should also be able to see this collection exists.

Thank you for taking the time to read what feels like a long ramble but to me it is an important point of view that I truly think reflects protections for both sides. I am happy to speak with anyone that has questions or needs clarifications on my comments.

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