



March 5, 2025

Assembly Commerce and Labor Committee,

I am writing to express my opposition to AB44 and the proposed amendment. While I appreciate the intent to improve this policy for the residents of Las Vegas, I firmly believe that AB44 is not in the best interest of our community and will have unintended negative consequences.

Ovation Development Corporation is a general contractor and real estate development company that designs and builds market rate and affordable housing communities across Las Vegas. Since 1984, Ovation has built 53 apartment communities and currently has four communities under construction, which will supply an additional 711 units. The 53 projects consist of 12,470 units valued in excess of two billion dollars.

One of the primary concerns regarding AB44 is that it includes housing in the amendment, requiring landlords to limit price increases to the average annual percentage change over the preceding years. Clearly, the preceding five years in the housing industry include COVID restrictions, supply and demand constraints, and reflects an overall anomaly of economic conditions. These conditions are separate from what you would find in the day-to-day food, clothing and gasoline fluctuations and do not reflect an accurate picture of a normal rental market.

In addition, the pricing limitations described in AB44 include general rent control measures outside of the economic anomalies in the preceding five years. While rent control is often proposed as a way to assist tenants, extensive research has shown that it ultimately leads to a reduction in available rental housing. When landlords face artificial price caps, it is more difficult to maintain or improve properties with quality, leading to a decline in the resident experience. Furthermore, reduced profitability can discourage new property developments, exacerbating the housing shortage rather than alleviating it. Instead of helping low-income tenants, general rent control often results in unintended consequences such as reduced mobility, longer waitlists for housing, and increased competition for limited rental units.

For these reasons, I urge you to reconsider your support for the AB44 amendment and to advocate for more practical and balanced solutions. I appreciate your time and attention to this matter.

Thank you for your consideration.

Sincerely,

Rebecca Corey

VP of Property Management

(702)-758-7470

Ovation