

NAHB RESOLUTION

January 18, 1971
Houston, Texas

APARTMENT CONSTRUCTION AND MANAGEMENT COMMITTEE

RENT CONTROL

WHEREAS, rent control was instituted during World War II when wages and prices were also controlled, and

WHEREAS, under rent control responsible owners and financial institutions tend to withdraw their connection with properties subject to administrative control, and

WHEREAS, caught between skyrocketing construction and maintenance costs, and restrictive yield limitations, there is no incentive for private capital to either build new apartments or to properly maintain their old one in areas under rent control, and

WHEREAS, the combination of no new building and wholesale abandonment and destruction of existing apartments under rent control will contribute to a residential crisis of serious proportions, and

WHEREAS, rent control destroys the local tax structure because controlled apartment buildings cannot be fully assessed, resulting in unfair burden on the private home owner who is required to pay higher taxes, and in effect, is subsidizing the tenants of apartment houses,

NOW, THEREFORE, BE IT RESOLVED, that the National Association of Home Builders is unequivocally opposed to rent control in any form because it will defeat the housing goals set forth in the Housing Acts enacted by the Congress of the United States, and

BE IT FURTHER RESOLVED, that the National Association of Home Builders will actively support opposition to rent control in the state legislatures well as in whatever local communities in which it may be introduced, and will initiate a vigorous public campaign to educate our legislators and all the other people of our nation against the evils of rent control.