

**From:** Kathryn Koutsis <[kkoutsis78@gmail.com](mailto:kkoutsis78@gmail.com)>

**Sent:** Sunday, April 26, 2026 10:37 AM

**To:** Senate Judiciary Committee <[SenateJudiciary@rilegislature.onmicrosoft.com](mailto:SenateJudiciary@rilegislature.onmicrosoft.com)>

**Subject:** Opposition to Bill S3073 – Increased Financial Burden on Small Property Owners

Dear Members of the Senate Commerce Committee,

I am writing to express my strong opposition to Bill S3073.

While I understand the importance of maintaining stability within lending markets, this proposal would have a direct and disproportionate financial impact on small property owners like myself. By expanding prepayment penalties to apply to non-owner-occupied properties with four or fewer units, this bill effectively removes a critical financial safeguard that has long distinguished residential lending from commercial financing.

Small-scale property owners are not large institutional investors. Many of us rely on modest rental income to offset rising costs, including property taxes, insurance, maintenance, and interest expenses. The ability to refinance without penalty is not a luxury, it is an essential tool that allows us to adapt to changing market conditions, manage debt responsibly, and maintain the financial viability of our properties.

Imposing prepayment penalties of up to 5% would create a significant and immediate financial burden. It would discourage responsible refinancing, limit flexibility, and ultimately increase the cost of providing housing. In many cases, these additional costs will either be absorbed by already strained property owners or passed along through higher rents.

This bill also represents a fundamental shift in how small residential properties are treated, effectively placing them in the same category as large-scale commercial investments. A two-, three-, or four-family home should not be subject to the same financial constraints as institutional real estate portfolios.

At a time when housing affordability is already a critical issue, policies that increase costs and reduce flexibility for housing providers move us in the wrong direction. Rather than stabilizing the market, this bill risks discouraging investment in smaller residential properties and reducing overall housing supply.

For these reasons, I respectfully urge you to oppose Bill S3073.

Thank you for your time and consideration.

Sincerely,

Kathryn Koutsis

27 Alfred St Pawtucket Ri 02861

Sent from my iPhone