

## Jamie Plume

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**From:** Rob Grace <rgrace@rihousebuyer.com>  
**Sent:** Monday, May 11, 2026 9:41 PM  
**To:** Senate Finance  
**Subject:** OPPOSE S2549

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Hello, I am Rob Grace from [rihousebuyer.com](http://rihousebuyer.com) and I oppose S2549, the tax on short term gains of up to 80%.

I enjoy buying and fixing houses and everyone thinks investing in real estate is a sexy business with huge profits & tons of laughs like on tv.

It's really not. I'm not afraid to share with you that I've lost money on some of these projects.

It IS certainly sexy if you like cat pee, rats, hoarder situations, feces, needles and things like that. And if you like dealing with major home deficiencies that the typical home buyer won't know how to repair, won't have the money to correctly execute the repair, and won't have the funds to buy the house without a mortgage (and be able to hold the property vacant while those repairs are being completed), then yes it's very sexy.

Flippers are not the root of the housing shortage. An overall lack of supply is more the culprit, and mostly due to the interest rate environment that we are experiencing. Coming off of record low interest rates for many years, sellers are hesitant to give up a locked in 3% mortgage to get a new mortgage at 6 or 7% today. That is the major issue here.

The banks are very tight on their lending criteria and the houses that I typically buy are not being taken away from the average buyer because these houses won't qualify for normal everyday bank mortgages.

This bill is trying to unfairly and heavily tax me & it is off track. Why? Because I buy houses that need work and many times can't be lived in. And I fix them and put them BACK into the housing stock. I think the perception that is being conveyed is backwards. Not to mention that I did the math and it seems like the total is greater than 100%.

Failed septic systems, holes in roofs, missing heating system copper, hoarder houses, mold, bed bugs, & foundation issues are all very common in my world. If you stepped into a lot of these houses you would want to run home and go take a shower, not buy the house and fix it up. These homes are really nasty and it takes a certain level of fortitude and experience to first understand what you are getting yourself into, and second to even consider purchasing a home in deep disrepair.

And let's not forget to mention that there is the timeline to perform. I've closed deals in as few as 5 days when the sellers needed to move quickly. Bank financing can't do that.

Flipping is a service to the community for a subset of homes and sellers who need no contingency, cash, as is, quick closings. This decision could be driven by the deplorable condition of the property that I have

described, or financial situations that the current home seller is in. Flippers are actually a big part of the solution, not the problem.

Lastly, let's think about the impact on commerce if a law like this 80% tax is put into place, essentially shutting down the short term flipping business. How many people do I pay to get these projects over the finish line and completed? How many people make guaranteed money, with 0 risk, while I take the chance on buying a home that needs a lot of repairs. The Answer is Tons.

Real estate Attorneys conduct 2 closings for me (buy & sell), insurance agents sell policies, multiple contractors and related construction personnel get involved in everything from hauling junk to installing \$50,000 septic systems like a recent one I did last year by the water. Engineering firms, cleaning crews, real estate agents, and many moving parts in between benefit financially with 0 risk from the commerce that occurs in this state of Rhode Island when a \$50,000 to \$200,000 rehab gets done in a matter of months.

If this is a bill aimed to increase housing stock for the average Joe and Jane to buy, the reality is that it actually won't even come close to accomplishing that goal. Since we are talking about houses that Joe & Jane can't, won't and wouldn't want to purchase, this overarching, generalized tax does not answer the questions or solve the problems with the housing stock & level of pricing in Rhode Island.

Thank you for your time and attention to this matter. Please oppose S2549.

Warm regards,  
Rob Grace