

Dear Madam Chair,

My name is Pat Gorham, I own a mid-sized property management company in Salem, we oversee about 1000 units from single family homes to apartment complexes and a few Homeowner Associations, so we work "where the rubber meets the road" so to speak.

I attended the public hearing today for HB 2004, first time I've ever attended something like that, so we are impressed with how orderly and efficient everything was handled, we commend you and your staff.

I've been a landlord in Oregon since 1984. My wife and I own a number of rental properties that we've cared for now for over 34 years, putting money back into them and working toward those helping with our retirement because they have been our life work. We now work for numerous other owners in addition to our own.

As far as my input, we could live without "no cause" termination of tenancy (I don't like to see the word "eviction" used unless it's a "for cause" or "non payment of rent") and we can completely make any of those "for cause" if they are serious enough to warrant that, this will however, as one person who testified today pointed out, possibly and probably cause a negative effect on a tenant who would then have a "for cause" termination on their record and for a HUD assisted/Section 8 tenant, it's quite possible that a "for cause" termination by a landlord could cost them their housing assistance. We have used the "no cause" very carefully in the past for many of the same situations that were testified to in the hearing today.

It troubles me that landlords/property owners and management companies are being unfairly portrayed as "deep pockets, evil and rich people turning a dime off the backs of the poor", someone actually said that today, NOTHING could be farther from the truth! It's a BUSINESS supported by the INCOME of the BUSINESS, it's not a hobby or a philanthropic venture that any of us are on, mostly it's about our retirement and income for a future time, that's why we actually take care of the rental property we have which makes the property better for the residents while continuing to increase in value as an investment we all made in owning rental property.

What bothers me the most is what was NOT talked about today, that is the controls on "tenancy terms" that this proposed legislation has written into it.

According to the text of HB 2004, a "fixed term" lease MUST always either become a "month to month" tenancy and/or the landlord is REQUIRED to make an offer a fixed term lease renewal. The control is then totally with the tenant to decide if they want the lease or if they want to just be month to month. It does not appear or at least it's not clear in the text, if the offer to renew a fixed term lease must be at the same rent as the lease that is ending. We see this as creating a "perpetual lease" that can only be terminated "for cause". I would think that a "perpetual lease" would be illegal and an unfair advantage enjoyed only by a tenant over a property owner.

The second piece that bothers me was touched lightly on today, in the text it says "repeals statewide prohibition on city or county ordinances controlling rents", without putting any

specifics into how/what/why we could be left with a completely ridiculous outcome of each City or County set their own rent control rules and restrictions without regard to the actual costs incurred by our owners or what a City or County, just on the other side of the tracks has done! I believe that the prohibition on rent control is a Constitutional issue and needs to be addressed by the voters in a general election, not snuck in here with this "emergency legislation" and I don't think this does anything but cause tons of more confusion. The legislation last year that addresses 90 day notices for rent increases and also defines the term "month to month tenancy" is already in conflict with existing landlord/tenant law and we've not had a clear idea of where that is headed, this on top of that just makes a mess in my opinion.

Lastly, I think if you're going to put in language about paying relocation expenses, it should apply to "no cause" terminations that are given EXCEPT for the five good reasons listed, instead of those being the reasons for the payment. If an owner needs to sell their property or move back into it and a tenant is given a 90 day notice, that's a good reason and not related to any of the bad stories we've heard. If that's not enough time, then raise it to 120 days. It seems this is a huge burden to place on a property owner that is unfairly weighed in a tenant's favor and I think some of them will take advantage of this and leave the owner with a trashed out house or apartment.

In closing, I don't think HB 2004 is good for Oregon, at least as it's written today.

Respectfully submitted,

Pat/NWP

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