

## **Oregon's Housing Crisis Key Points**

**Please do not pass this anti-freedom HB 2004 in any form.** I have four main points.

**1. The No Cause eviction is very good law.** There are many times when a tenant should be evicted, but the landlord has no tangible proof of the problem:

- A tenant is suspected of dealing drugs.
- A tenant plays music or TV very loud, late at night.
- A tenant is abusive to other tenants.
- A tenant is chronically late on rent, but the LL works with him. Unfortunately, he never gets caught up.

Anytime a landlord needs to evict a bad tenant, if they give a cause, a sharp tenant's attorney can find some reason to challenge it in court. Sometimes, they win. But, even if the landlord wins in court, it can cause thousands in lost rent, destroyed property by the tenant and the landlord's legal fees.

Yes, there are a few bad landlords who may abuse the policy. But in my 40+ years landlord experience, there are good reasons to use this provision.

**2. The housing problem is primarily a Portland, Medford and Bend area problem.**

- People keep moving to these areas.
- More demand for housing, combined with a limited supply, raises rents.
- I see plenty of affordable rents in other parts of Oregon, Eugene to Salem, The Dalles to Pendleton.

- No construction of apartments from 2008-2012.
- Landlords could not raise rents from 2007 through 2012.
- Landlords suffered from 2007-2012, when many faced foreclosure and bankruptcy after 2007.
- Recent construction has been too many high-end, luxury apartments. Most people can not afford them.

**3. Flippers have been buying houses and apartments,** evicting the tenants, remodeling and then selling for a nice profit. Yes, that does improve the quality of housing here. *But, we normal landlords are bearing brunt of this.* The legislation hurts thousands of good, fair landlords.

**4. What is the primary cause of all of the above?**

Already excessive government rules!

- Oregon's EXCESSIVE land use laws:
  - Urban Growth Boundary is way, way, way too tight in high growth areas.
  - EXTREMELY high city and county cost planning, development and building fees.
  - Absurdly complex development and zoning rules. Thousands of pages and hundreds of minute zoning rules are a HUGE problem.

Until recently, Oregon did not have excessive rents. But these over-the-top zoning and development restrictions have caught up and are the primary cause.

**Let freedom rule: the law of supply and demand, unrestricted by government controls, and the housing problem will be solved.**

Conclusion: this proposed law is bad, bad, bad. It makes some people feel good, like they are actually helping tenants. But, it will only cause more problems: strained landlord-tenant relations, less affordable housing building. Discourages any new apartments to be built.

Please reject this bad proposal. Instead, greatly relax the excessive complex zoning and development rules.

Sincerely,

George Thompson  
Investor, plexes and apartments, since 1973  
Real estate investment broker (CPA retired)  
12230 SW Meader Way  
Beaverton, OR 97008  
503-317-0180

**"Free Market Capitalism is the Best path to Prosperity." Larry Kudlow**