

I started investing in real estate almost 30 years ago because I wanted to have an inflation proof way to retire. I have taken large losses in the stock market even though I invested through a professional. By investing in real estate I own something that I am in charge of. I can maintain it, improve it and be in charge of it. I have taken great pains to make all of my rentals nice places to live and would happily live in any one of them. Just last year I spent \$18,000 to upgrade the heating systems in one of my duplexes so the tenants would have lower heating bills and air conditioning. This type of investment takes years to recoup. Just 2 years ago I spent \$15,000 on a new roof for the same building.

I am not getting rich on my rentals. I am 62 years old and still working for a living. Penalizing me for the atrocities of Real Estate Investment Trusts is not only unfair but un-constitutional. You will be taking all possible profit away from my rentals and depriving me of my income and my much earned retirement.

I attended the HB 2004 hearing last night and have the utmost empathy for the stories that I heard from tenants that were unfairly evicted from their apartments. You must realize that most of these happened at large apartment buildings many of which are owned by Real Estate Investment Trusts. (REIT) REITs are groups of investors that got into the Oregon market when prices were down and bought up large groups of multifamily dwellings. Many of these investors are from out of state and have no interest in the livability of Oregon. These groups have only one purpose. The most money that they can wring out of the property that they can get. They frequently don't maintain these properties and do not care about their tenants.

You need to recognize the difference between small housing providers like me and these REITs. Punishing us for what they have done is just not right. You are taking money directly out of my pocket with these draconian rules.

I would also like you to understand what it is like to put your heart and soul (not to mention lots of money) into making a rental house a nice place to live and then have someone trash it. I have had this experience and it is gut wrenching. The deposit NEVER covers the damage done by tenants. It is never possible to recover the cost of damage done by tenants. The time it takes to make repairs is always lost income due to the unit being off the market. Having to pay to get a tenant out that has damaged our rental is an outrage. And having to refund the entire damage deposit only adds insult to injury.

We have always done everything we can do to keep our tenants as long as possible. Long term tenants are what all small housing providers want. We have been very successful in this endeavor for the most part.

If you tie our hands with this 'over the top' legislation, here are some very likely results.

1. Many small housing providers will sell their properties which will become owner occupied. All of the single family houses and even duplexes and triplexes will go out of the rental pool.
2. We will be forced to raise rents as high as we possibly can to protect ourselves and our properties.
3. We will have to raise damage deposits as high as possible to protect our properties.
4. We may no longer advertise properties on the open market, instead relying on word of mouth.
5. Our screening procedures will become extremely strict.
6. We will have no incentive to spend any more money improving our properties.

7. If our only recourse to get a destructive tenant out is a 'for cause' eviction, then that tenant will have an extremely hard time getting another rental. This is also a very expensive way for us to proceed, having to pay lawyers.

Owning rental houses is a business and like any other business this one has to make a profit. Your legislation will make it very difficult to make any money on rentals and thus take them off the market.

Rent control hasn't worked in other cities and will not work in Oregon.

We have always worked with our tenants to make them comfortable and feel secure. That has to work both ways. As housing providers we need to feel secure also.

It is also important to recognize that for every housing provider in Oregon there are tens or even hundreds of renters. So please keep that in mind when you are counting responses.

This is a bad piece of 'feel good' legislation that will help no one. It will cause great harm to the Oregon housing problem. If you want to really make a meaningful change then you need to support.

1. Increased housing subsidized by the State.
2. Lowering regulations that prohibit or inhibit the ability to build low income housing.
3. Ease building code restrictions on low income housing.

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