

Rosenberg Corey

From: Jake Hermeling <jakesellsbend@gmail.com>
Sent: Tuesday, May 02, 2017 2:04 PM
To: Sen.AlanOlsen@state.or.us; Sen Gelser; Sen.MichaelDembrow@state.or.us; Sen Knopp; Sen MonnesAnderson; SHS Exhibits
Subject: HB 2004-A

Dear Senate Committee on Human Services,

I'm writing you to voice my opposition to HB 2004-A. There is no doubt that we have a housing emergency in Oregon right now. I'm a Realtor, own a property management business in Bend and personally own investment real estate. I have been trying to help a friend relocate to Bend and even with my connections have not been able to find him a suitable rental. Basically I have first-hand knowledge and experience with the problem.

The lack of inventory is pushing rental rates upwards. It's a simple supply /demand problem; there isn't enough rentals available for the population growth that Oregon is experiencing. Implementing more restrictions on landlords will most definitely not help our inventory problem. It will actually have the opposite effect. The net effect of HB 2004-A will be a decreased net return to landlords / investors. Returns are what attracts new investment. Without increased investment both new multifamily housing construction and single family rental purchases will be sharply limited. There will be no long term solution to the housing shortage without increasing new housing starts, especially multifamily.

Implementing a short term band aid with the intentions of protecting tenants will hurt those same people in the long term. There will come a day when those tenants want or have to move and without more inventory, rental prices will continue to rise. Giving the tenants 90 days or more to move still doesn't help if they can't afford the market rates when they do move.

From a personal standpoint if HB 2004-A were to pass I will most likely exchange a majority of my real estate investments out of state. I predict this will be a widespread phenomenon, further decreasing rental inventory.

Please vote NO or kill this bill in committee. We need real solutions to rising rents like more supply!

Thank you for taking the time to read my email.

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