

Rosenberg Corey

From: Gordon <gordon@adhomes.com>
Sent: Tuesday, May 02, 2017 1:49 PM
To: SHS Exhibits
Subject: HB 2004-A Testimony

Good morning. I am a resident of Eugene, with a small construction company (Anslow & DeGeneault, Inc., currently building homes near downtown Springfield), and a small portfolio of apartments, mostly in the UO area in Eugene. We own these properties with two other couples, and – being in the private sector – these are truly our only hope of retirement; we will rely on these properties to keep us from being a burden on our children and society in general, when we have to hang up our figurative nailbelts, ie close the construction company. We manage these properties ourselves, through our company Mallard Properties, providing full time employment to 4 – 5 people, and providing a real mom-and-pop feel to our tenants, who are far and away very happy with their time in our tenancy.

The item in the proposed legislation of most direct concern to us is the elimination of no-cause evictions. No landlord wants their place empty, as the bills never stop. However, there are times that you get a tenant who parties too much, won't consider other people's quiet enjoyment, disregards parking policies, or sometimes a guy who just creeps out other young women tenants. Currently, (and rarely) we can tell these folks they need to move, so we don't risk losing other tenants on their account. (And this does happen, if you don't address a problem tenant head on.) With us, this NEVER has to do with some scheme to raise the rent. The problem is, if we have to "show cause", we then have to launch into a legal process, and prove our case, run up a big bill, and run the risk of invoking retaliatory action by the problem tenant against other tenants who have complained to us, with no guarantee we will solve the problem. Trust me, you don't go into this lightly, and not in response to one or two complaints.

The problem tenant then may go to free legal aid, and we will be spending big money fighting an unnecessary battle. We, and many others like us, really don't appreciate the state sticking its nose into this sort of already difficult situation. Even the nicest, most accommodating landlords (which I believe we are) sometimes have to lower the boom, for the general happiness of tenants in a building, and to protect your investment.

The larger issue at play here, is that Oregon is said to have a housing crisis, or emergency. We can certainly attest to the uphill battle we fight to bring remotely affordable rental units or single family residences to market. The proposals of HB2004 will absolutely have a chilling effect on people's decisions to go into creating and owning rental units, and will only serve to worsen the supply side of the equation. The State should be doing everything possible to encourage the marketplace to create more housing, which is the only means to meaningfully impact the housing issue. Increasing wages is of course another way, but there is no substitute for more housing supply coming on line. We recently passed on buying a small property to develop another 4 plex, as we are concerned about taking on any more rentals, with HB2004 looming on the horizon.

So, please consider these comments and do the right thing with regard to HB2004. The authors hearts are in the right place, but this will do far more harm than good. Feel free to call or write if any questions or comments.

Regards,

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