

Rosenberg Corey

From: Hank McCurdy <hankmccurdy@gmail.com>
Sent: Tuesday, May 02, 2017 2:58 PM
To: SHS Exhibits
Cc: christine mccurdy
Subject: HB 2004A

Hello,

For nearly forty years my wife and I have provided market rate low income housing without any government subsidy or credits.

We have been landlords since 1977. We started with some small houses in North Portland when it was much rougher than today. We traded up into 12 plex right below the east end of the St. Johns Bridge. It was still rough. A tenant threatened to burn the place down. I said "Be my guest," and I more than halfway meant it. We now have 112 units in Hillsboro. All our properties along the way have been Class C and still are in Hillsboro. Many, many apartments were built in the Portland Metro area in the boom of the 1970s. Ours range in vintage from 1962 to 1972 with a 7 plex ("the new one") built in 1982. Much of the Metro's housing stock is this age run by people like me and my wife

These properties are hard to maintain. Moving appliances is no fun. Replacing rotting deck structures is not a day in the park. Being in a crawl space to fix a sewer line break is no ones highlight. This is real work. Paint, paint and more paint is almost a vacation. Our very highest rents for most of our two bedroom units are \$950. Most are at \$900. For our one bedrooms we charge up to \$770 and will be raising the rents to about \$805.

Rent control (including the euphemistically labeled rent stabilization) is a colossally bad idea. We pay our employees an average of \$15 per hour for maintenance. It is hard to keep good people at this wage. I wish we could pay more. We have a manager \$21 per hour. Because we have been able to raise rents within the last year and a half we have been able to improve the properties. We have gone through a number of downturns in the rental business: 1982, around 1991, 2000 and of course the Great Recession. Vacancies increase and rents go down. We have had to cut staff and reduce maintenance during these bad times.

It is no secret, as I am sure you have heard, that no matter what, costs go up: taxes, insurance, water (ridiculously so) etc. If landlords are hamstrung by artificial controls that have never worked anywhere, the housing stock declines. It is really as simple as that.

Eliminating no cause evictions is tremendously shortsighted. Landlords have no interest in evicting tenants except when they abuse the property and are bad neighbors. Eliminating the bad actors is a benefit to other tenants because it cuts costs and makes the apartment community better.

Along the way we have had to get rid of drug dealers and other criminals, as well as having to deal with the occasional squatter. Eliminating no cause evictions makes getting rid of the bad actors monumentally more difficult. Eliminating no cause evictions is simply counterproductive.

Please do us all some good, landlords and tenants. Reject HB 2004A
Regards,
Hank McCurdy