

Rosenberg Corey

From: Sen Gelser
Sent: Tuesday, May 02, 2017 10:04 PM
To: SHS Exhibits
Subject: FW: HB 2004

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Senator Sara Gelser
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From: David Wright <dwright@cpmrealestateservices.com>
Date: Tuesday, May 2, 2017 at 9:41 PM
To: "sen.saragelser@state.or.us" <Sen.SaraGelser@state.or.us>
Subject: HB 2004

Good evening,

I am writing in opposition of House Bill 2004. I own and run a property management company that represents 500 property owners and over 3,000 residential units in Southern Oregon. I have been in the industry for 18 years and have seen mostly flat rents throughout that time. In fact, in 2009 and 2010 the vacancy rate was nearly 10% and landlords were giving away free rent and providing incentives to get tenants to move to their properties. These past few years the rent has increased and the vacancy rate has dropped to below 2%. We do need a healthy market so that both landlords and tenants can survive together. A healthy market is in the 3 to 5 percent range where there are options for tenants, but landlords are not hurt by high vacancies.

House Bill 2004 is not the way to create a healthy market. This bill will have unintended consequences and not provide the solution to what we need, which is more supply. Putting price restrictions on rentals through rent control will only chase investment out of the housing sector and discourage property owners from

maintaining their properties. Property taxes, utility costs and fees, maintenance costs all continue to rise, but if the rents cannot commensurately, then people will choose to put off certain work to survive.

Please let the market work through this. Supply and Demand will balance the market out if there isn't too much government intervention. We already have hundreds of units coming online here in Medford this year. You need to make it easier to get more product online to take the pressure off.

I have multiple clients who are not huge institutional investors who are selling their rentals. They are tired of the regulation and interference from the government. This talk about rent control and elimination of no-cause notices IS forcing their hand. This takes more units out of the rental pool, and creates the opposite of what House Bill 2004 supposedly intends to do.

The elimination of No-Cause evictions will just make it harder for landlords to get the people out who are creating damage or problems in their units. This Bill if passed, will clog the system and chase more investors out of the market.

Please, look for solutions to our supply issue and not regulation that will discourage investment in our industry.

Sincerely,
David Wright
President, Owner
CPM Real Estate Services, Inc.
4036 Fieldbrook Ave
Medford, OR 97504