

Rosenberg Corey

From: stever <steverut@comcast.net>
Sent: Thursday, May 04, 2017 11:31 AM
To: SHS Exhibits
Subject: HB 2004-A.

My name is Steve Ruttenburg and I own rental property in Lane county, Oregon. I am writing today because I am scarred. My rental property is my retirement. Without it, I would not be able to afford to live a normal life. If you pass this bill, you will put the rights that come with ownership in the hands of the tenants. If you had been in this business as long as I have, you would know that tenants abuse the system way more than landlords do. I am not saying tenants are bad, most are good, just as most landlords are good. There are some bad landlords, you here of them every once in a while, but look at the FED courts. They are jammed with problem tenants.

The biggest problem with HB 2004 is the no cause eviction rules. As many have testified, this tool is very important to us in that it can be the only way to get rid of a bad tenant. I have used this tool to evict a drug dealer that the police couldn't do anything with, they have to catch them in the act to arrest them or for me to evict them with cause. I have also used it to remove tenants who caused problems with other long term tenants but who would not file a formal complaint because of intimidation. With the passage of this law, bad tenants would control properties. Then to make this even worse, you want us to pay tenants to move. This amounts to ransom. Bad tenants would hold our properties hostage, hoping for the big payout before moving.

In reading between the lines, I believe you want to remove no cause because you believe landlords have used this just to increase rents. I don't believe this to be true. Why would they do this when all they need to do is send a notice of rent increase. There is no reason to evict a good tenant unless the building needs to be renovated and you cant do that with the tenant in the unit. This said, the only valid reason for you to pass this bill is to make it impossible for landlords to renovate buildings, thus keeping an adequate supply of low cost housing.

The other part of this bill would enable local governments to invoke rent control. First, rent control does not work, in fact it does the opposite of what needs to happen. This is the consensus of most economists who have studied this. If you want to bring the cost of rent down, incentivize building. Once there is an oversupply of housing, the laws of supply and demand will take hold, landlords will have to compete to fill there units.

As I said, I am scarred. If this bill is passed, the value of my retirement will be drastically reduced. Who would want to own a rental business that is controlled by tenants and the government. New multifamily housing will not be built in Oregon. Landlords will only do minimum repair and renovation. Landlords will tighten the application process and only accept tenants with proven long track records and have very stable incomes.

There are a lot of tenants out there who vote, but most don't understand the complexities of economics and business. We as landlords don't have the voting power of the masses, but we are business owners and we do understand when legislators make bad decisions for votes.