

Greetings:

My name is John Fahrer. I represent the Glenwood Trailer Park, LLC and manage the Glenwood Trailer Park in the Thomas Cully neighborhood in NE Portland. I learned today (5 May) that this is the last chance to provide input for consideration regarding the vote on House Bill 2004A and I feel obligated to respond. I apologize in advance for any errata in my effort, as I will not have the opportunity to edit the composition.

Although the park has been in my family since the early 1960's, I have been directly involved for only the past 10 years. Prior to 2008, I worked (for 21 years) as a graduate electrical design engineer for the US Army.

It is my understanding that nearly all economists agree that rent controls reduce the quality and quantity of housing. It appears that nearly all economists predict rent controls in Oregon will result in the exact opposite impact on housing that you intend. That HB2004A remains in consideration with this scientific analysis resource available to you is baffling to me and I feel I cannot add anything to the nearly unanimous expert opinion. I can add, however, that the bill will eliminate, over time, businesses (including the park I manage) providing low income housing. Revenue generated by charging rent is only part of the rental business. Another part is expense. By far the biggest expense is government. Taxes, water etc. increase without discussion, and relentlessly. In 1962, I understand my parents were collecting \$25 per space per month at Glenwood. It is not difficult to see how rent controls, if imposed in 1962 would have caused Glenwood Trailer Park to cease operation long ago, just as rent controls, in my opinion, would do now. Expenses would slowly erode return on investment. Damage would continue to expand, in my estimation, to its conclusion as long as government controls are in place.

In the past ten years I have initiated many evictions, in many circumstances. My business model/goal has been to maintain a quiet crime-free park where my tenants are not distracted by serious complaints. Eviction has been an almost constant part of my efforts. To date, I have not experienced "losing" a contested eviction.

In February of this year I traveled to Salem with a group of park owners (sponsored by the Manufactured Housing Communities of Oregon, MHCO) as part of a scheduled event to speak with members of the 79th legislator assembly regarding a number of landlord-tenant proposed legislation, including HB2004. During several discussions (we met with individual legislators) I recall park owners repeated that evictions are never initiated for without a reason, even "no cause" evictions. That an eviction, including "no cause" is never initiated without an expectation of substantial expense. Typically, landlord declines rent payment before an eviction is filed. No rent is collected while the eviction proceeds through the system which could easily take two months. After the eviction, landlord must find another tenant and probably hire someone to repair damage (remove mess) and prepare the space for the next space. It was explained repeatedly, that evictions, even the "no cause" variety are never approached lightly or frivolously. *I agree with the opinions offered by members of the MHCO that day.*

In my experience, I have never evicted anyone without the loss of sleep worrying about the personal risk/expense associated with the decision to enter into a contested action of eviction. When considering an eviction, it is tempting to ignore the reason for the action, accept the tenant's rent and avoid the confrontation all together. However, an amalgam of these decisions to avoid eviction would, in any estimation, result in the deterioration of the park's community and my business. Forcing every eviction

into "for cause", however, would, more than likely, cause landlords to choose not to evict and "live with" the community disruption rather than commit the resources to prepare for a trial.

It is my observation/opinion that evicting a tenant for "no cause" reduces substantially the chance of an eviction reaching a trial in which witnesses would be subpoenaed. In the case of a boorish or intimidating evicted tenant, neighbors would be forced to testify (in a "for cause" eviction) to the tenant's behavior. The objection to forcing vulnerable (most of my tenants are elderly or disabled) tenants to testify in order to prove the "cause" at trial is obvious. In most, if not all evictions, the evicted tenant is disrupting the peaceful enjoyment of other community members. In some cases the entire community.

With the removal of "no cause" evictions every eviction, then, would require the need to prepare for a potential trial. For me, included in the preparation is a lot of extra time and the expense of an attorney to review every aspect of the eviction (losing at trial would include paying approx. \$10,000 to tenant's attorney) starting with the preparation of an eviction notice. As a result of eliminating "no cause" evictions, the cost of evictions, for landlords, will increase immediately and substantially, in my opinion, increasing the cost of doing business.

Also, it has been said that "no cause" evictions need to be abolished because they are used as retaliation by landlords. It is my understanding that retaliation is an explicit exception and there is a legal remedy for a tenant who is evicted as retaliation.