

To All Members of the Oregon Senate Committee on Human Services:

With all due respect, HB 2004 will have catastrophic consequences for landlords and will result in an overall decrease in the supply of rental housing as well as a decline in the quality of rental housing in terms of health and safety. If I understand the motives of the backers of this bill, they propose that rent control and tying the hands of landlords in terms of their ability to operate their property in a safe and effective manner will cure the woes of tenants having to deal with a very real housing shortage. Folks, this is basic Supply & Demand Economics 101!

The solution to the housing crunch in this state is for the government- at all levels- to encourage private investors and developers to invest in Oregon by streamlining the regulatory burden and encourage smart development of new multifamily housing. If you can't do that, then maybe just stay out of the way! The bill you are considering will stymie new development and will drive the owners of single family rental housing from the market, thus further reducing the supply. I believe there is potential for many investors such as myself to divest in Oregon and narrow the group of landowners creating a potential lack of competition which will result in further future rent increases

I have been invested in rental housing for 17 years in Oregon. We treat our tenants as customers and work very diligently to provide them with safe, clean, and, to the extent the FREE market will allow, affordable housing. I would like to know where the Legislature was back in 1984 when we were dealing with 30 percent vacancy factors and property owners were having to hand their hard earned investments back to the banks!?!

If this bill passes, we will most likely be forced to raise rents at least 25 to 30% to cover future costs of rental rehabilitation and moving costs due to physically destructive tenants and also being forced to immediately remove all current problematic and destructive tenants prior to this law going into effect if it passes. We will also need to re evaluate our credit check and vetting of future prospective tenants which will eliminate many potential rentals due to poor rental record history.

For the health and sustainability of this Beautiful State of Oregon, I respectfully request that you quash HB 2004 by voting NO. Any member of the House or Senate that supports this Bill should frankly get a primer in basic economics. They certainly won't have our support.

Sincerely,

Franklin G Farley
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