

Dear Oregon Representatives,

My firm, Murex Properties, currently owns a manufactured home community in Medford OR. We are extremely concerned about SB 608's negative impact on our industry as well as the negative impact on OR's limited affordable housing resources. Oregonians today face fewer and fewer affordable housing choices. SB 608 only restricts those choices even more.

SB 608 allows only a modest increase over the CPI for any rent increases. If there are any major expenditures needed to maintain life safety or community security, that money cannot be recouped. There are several consequences that follow such action:

1. Needed capital expenditures will not be made and the quality of the resident's living environment will suffer.
2. As the living environment suffers several items occur:
 - a. Manufactured home communities become less desirable, removing an affordable unsubsidized housing alternative.
 - b. As the quality of manufactured home communities declines, so does the local real estate tax base.
 - c. As the quality of manufactured home communities declines, so does the local personal property tax base.
3. Because investors cannot make an adequate return on their investment to offset risk, fewer manufactured home communities will be built, reducing the amount of affordable housing.
4. As fewer and fewer communities are available, fewer homes will be built reducing manufacturing employment in OR.
5. Fewer homes being built ripples through to:
 - a. Fewer transportation jobs,
 - b. Fewer installation jobs,
 - c. Fewer service jobs, and
 - d. Fewer sales positions. (Overall, the state of OR suffers.)
6. Since manufactured housing is not subsidized by any governmental program, as it become a less desirable consumer choice, more pressure will be put on state and local governmental authorities to provide an affordable housing option. Hence, housing cost to state and local governments goes up.
7. Many families (and seniors) currently rely on manufactured homes as an affordable housing option. Removing this housing option will force them to make other, more expensive, housing choices. In many cases, the cost of social services to support OR citizens could increase. Since more citizen's income would be shifted to more expensive housing, social services will then be needed to cover some of their other living cost.
8. Historically, rent control limits all housing options. When housing options (or choices or housing supply) are limited all housing cost rise. Hence, the cost to all OR citizens is increased housing cost, all across the board. Not, just individuals seeking affordable housing.

As outlined above, if SB 608 passes, the cost to live for OR residents only increases. And, the cost of governmental programs to provide housing and social services to OR citizens only increases.

Thank you for your time and your consideration of our objections to SB 608. If you wish to discuss any of these negative impacts of SB 608 please feel free to call or email.

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