

SB 608 – Oppose

My husband and I have owned rental property since 1984. We planned on this investment for our retirement, which is now upon us. However, we can't retire because for years we have kept our rents so low that we have put maintenance off in order to refrain from raising rents. We have just a ten-plex now. Our rents range from \$495 to \$600 a month. We have kept rents low because we know our tenants struggle to make ends meet. I understand that because we struggle with that issue as well. Although we manage and have some of the extras, like a dinner out or a short trip to the coast once or twice a year, we certainly do not live an extravagant lifestyle.

No person in their right mind is going to invest in rental property if it's not profitable. They also won't do it if it's such a headache and expense. With few exceptions, landlords don't kick out good tenants. Vacancies are costly. Over the years I have had some amazing tenants. I've had some who after they have moved, I have refunded their full deposit plus a bonus because they left the unit so clean. I've had others that had literally trashed beyond belief the interior of a unit, including rotted food, filth and yes feces. It is not always the landlord that is the problem. The expense of evicting is becoming prohibitive. If the tenant gets an attorney, the landlord loses because we can't afford it. We will be forced to raise our rents the maximum allowable every year because of this bill. I have good tenants, long term (over 15 years) that simply can't afford to have their rent raised so that I can evict the ones that need it.

We had a long term plan to renovate. We just refinanced and withdrew a big chunk of equity to put on a roof, new gutters, update the heating in all units and update the interiors. Then we were going to raise rents a little closer to the area mean. We had hoped to help our tenants relocate, giving them time and financial assistance. With this bill coming into play our plans will change and we will not be able to help them with time or relocating. This will cause a hardship on our tenants as well as for us. That hardship will have an impact on renters. This bill will not solve that problem. Short term AirBnB is looking pretty good right now along with some other alternatives.

Cost of living affects us as much as it does all industries. Why have you singled out landlords? Why am I responsible to subsidize housing? Why would I stay in this business if I spend so much time babysitting and make little money? The state is making it harder and harder for us to do our own work, so we have to hire contractors for the simplest of things.

I have the right to invest and control my property. What I see is you going after the small business operator because the big guys can fight you. Rather than restricting the little guy, why don't you work on getting wages increased equally with the costs of housing, food, gas and everything else?

Better yet, get those CEO's who are raking in millions and feeding stockholders to pitch in. This bill just shifts the hardship from one struggling group to another. I understand that there are big rental corporations that screw people. I, with my little 10-plex, do not do that.

Jamie Zegar