



TO: JOINT INTERIM COMMITTEE ON THE THIRD SPECIAL SESSION OF 2020

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RE: Landlord Tenant Relief due to COVID

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It is circulating that this committee is entertaining the concept of mandating landlords to forgive tenant rent due to COVID.

Tenants ability to pay rent when unemployed or sick due to COVID is a very real concern for all and a crisis for those directly involved. The real question that must be asked is who and how to provide relief, if any. The federal government has chosen to provide relief through grants and loans to businesses and individuals. The federal government has not targeted individual groups or classes to be burdened.

The State of Oregon is now debating it is not a state responsibility, but the individual owners of residential units rented to their tenants. If you believe only one class of inhabitants in Oregon are to provide the relief to a larger class of inhabitants in Oregon, it becomes a most unfair burden. If the legislature believes, and it may well be a most appropriate conclusion that the tenant class needs relief, then the state, not just landlords needs to be providing the relief.

Additionally, the legislature is triggering the infamous concept of unintended consequences. If you give relief to the tenant class at the expense of the landlord class, the landlord class then fails. The landlord class by and large have mortgages. If the landlords do not receive rent, they fail to make payments on the mortgages. The lenders then take the property from the landlords. The chaos that this creates and the loss of revenue to not only the individual classes, but state government itself.

As a REALTOR® for 48 years and an IRC Section 1031 Qualified Intermediary, I can relate actual cases of Oregonians selling and moving their investment capital out of the State of Oregon after choices made regarding SB 608 and now the COVID choices temporarily made and possibly permanently.

In no way am I against relief for different classes and the tenant class is suffering huge impact. The burden however, is the State of Oregon, not the residential investment class who in many, many cases are a single or family just simply trying to create a retirement nest egg.