

My husband and I own investment property as part of our retirement portfolio so I am writing to you to ask you to go back to the drawing table on this pending legislation.

We invested in rentals because we work in real estate and understand it. We own a small business, pay our taxes and give our time by volunteering in our community and with the Portland Housing Center because we believe that everyone should have access to homeownership if they want to. Working as Realtors, our retirement plan was to invest in what we know rather than the volatile stock market. We have a few rentals and our tenants stay for a long time. We rent at a reasonable (below market) rate so that we keep our tenants, forgo the maximum income, and everyone wins, adjusting to market when a tenant moved. While I understand the problem in the city, I don't think it is right to be the solution to what is a societal issue. We have mortgages to pay. Now, as we are approaching retirement, you are putting us on a fixed income and restricting our ability to adjust rents as units become vacant. You are not restricting income in the retirement plans that use the stock market as their vehicle, why should landlords be left holding the bag for a lack of inventory and a pandemic? Why should we be forced into the higher risk of accepting a tenant who cannot pay the rent or who doesn't respect our property? The legislation passed that restricts rentals keeping pace with inflation or the market is ill-advised and unfair already. Telling landlords who can occupy their investment is yet another overstep. The result of these, originally, emergency ordinances is that small landlords are selling their units and the properties are being sold to owner-occupants. This is resulting in a reduced inventory for renters and creating more of a problem.

As I see it, the issues came to a head as REITs started to invest in multi-family housing in Oregon. As with all investments, at the point of purchase is the best time to upgrade and restore properties. This is good business and creates a better housing unit for a tenant. These improvements cost money and displaced the tenants living in the sub-standard housing with low rents due to deferred maintenance. This was not a good thing for those tenants in a place where the rental market was already tight. These investments were to be traded on the stock market. Many retirement portfolios, including PERS, invests in these REITs and as an investment, need to provide a return for their investors. The REITs can also afford the higher expense of your relocation fees as it is built into their business plan. As you can see, we are all culpable for the situation in our own way. If you enjoy a future with a sound retirement plan, and not stress out the system by being indigent, shouldn't you too be penalized by paying out of your hard-earned retirement through this kind of legislation?

Should we legislate how much equity a person should be allowed to make when selling their personal residence? Or how about making it illegal to sell a house for more than the list price? What has happened to the free market? Should NIKE only be allowed a fixed % of profit on a pair of shoes? How about no raises ?

It is not appropriate for one part of the private sector to shoulder such a large burden. How about a moratorium on property taxes for landlords? When the roof needs replacing or the water heater goes out, perhaps the state will shoulder that bill? How about when a tenant leaves trash and personal property and does damage to the property, the state steps in to clean it up and pays the dump fees. We are in this soup together, and I don't mind forgoing profit during this pandemic, but I can't afford to be a subsidizing entity.

Please look ahead a few more steps and temper this plan so that we can all participate fairly.  
Thank you for the opportunity to express my perspective.

Respectfully,  
Mary Slac