

Submitter: Garth Everhart
On Behalf Of: self
Committee: Senate Committee On Housing and Development
Measure: SB611

I just invested into a new mixed use building in Fairview Oregon. Took one year for approvals and nearly 18 month to build and is my largest investment in Oregon. I am in mid 60s and wanted to operate this building into retirement. I am a very small operator.

I have two other projects in the pipeline that add more apartment housing in east county which is the most affordable part of Multnomah County. I am not able to develop this these without investors. Raising funds from investors to invest in Oregon instead of California and Washington is tough. I am able to do this despite rent control because of the 15 year exclusion which is a worthwhile investment horizon for the investors needed to provide the funding required.

Reducing the exemption to a shorter time time simply makes other states more attractive. I do not understand why the legislature would take this step in the face of high demand and low supply. Why make investing in Oregon less attractive? Maybe the large developers/investor funds can make it work but most multi-family housing projects are relatively small so why make it harder for the types of projects. Just my two cents but this will simply reduce new supply further.

As an aside lenders are becoming more reticent about lending and now require more investment into the project. This fact about the market couple with a shorter exemption will simply lead to fewer small projects down the line.

Thank you for your time
Garth Everhart