

Submitter: Susan Wheeler

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

To Oregon Legislators:

I am writing in reference to the proposed Senate bill, SB 611. My husband and I are rental property owners, 2 properties, one passed on to us by my father upon his death and the second a home we previously resided in for 32 yrs. In reading the particulars of the bill, we are greatly concerned about the potential repercussions on property owners, particularly owners with a minimal number of properties. In our situation, the rent income (after mortgage payments) is part of our retirement income. Reducing the existing cap on potential rent increases could compromise our income, our ability to pay our bills and expenses, and to implement improvements and maintenance on our properties. Capping at 8%, or 3% + CPI, which ever is LOWER will not allow us the flexibility to account for varying inflation rates and to continue to keep our properties well maintained. There are no caps on building material, labor, property insurance, etc.

We increased the rent amount on one of our properties by just over 3% this year. Last year there was no increase and we thanked them for being good tenants. On the other property we increased the rent by 4% this year, the first time we have done an increase since we came into possession in 2018. Both properties are, and remain, well under (by several hundred dollars) market rate. Obviously we are not trying to take advantage of our tenants, rather we seek to offer them comfortable dwellings to serve as their homes at a price that also serves to supply a reasonable income for our retirement.

These types of requirements are not imposed on other forms of businesses, such as automotive sales. While transportation is a relevant and necessary item for many to retain employment or access other resources, automotive dealers do not experience CAPS on the asking price of their merchandise. Rather the market drives what they can charge as does the amount buyers are willing to pay. Grocery stores are subject to market influences, as well. A recent example is the fluctuating cost of eggs reflecting market conditions, they were fluid to accommodate that. The same limiters are applied to property owners, with prospective tenants shopping for their best value. Private businesses need to be allowed to set rules/limits that enable them to profitably run their businesses within the confines of reasonable consideration for others. We respectfully ask that you not disrespect and limit our rights, negatively impact our (fixed) income and include consideration to the needs of property owners. Thank you for considering our concerns.