

Submitter: Ken Knowles

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

I am what is typically called a small landlord, owning a duplex and a 4-plex. In Oregon, I am not a small landlord, because I own more than 4 units, with a big mortgage. I was only able to get a mortgage on the 4-plex based on the rental income. I am not rich. I provide a good service to my tenants and provide affordable housing with a great service. I probably get a 3% to 5% return on my investment. If I was going to do it again, I would buy bonds that give guaranteed income of 5% and no headaches. Our tenants probably spend 20% of their income on housing. Some are on minimum wage jobs. I think 20% is an affordable amount to spend on housing. I think there should be an exclusion for rents that are lower than 20% of minimum wage.

Reading the testimonials, most people struggling are those on disability and social security. The problem is with section 8, not with rents. It also appears to be mainly focused on Eugene rents.

A recent report from the NRLA in the UK showed that encouraging small landlords to sell up and not invest in the rental market has a huge fiscal impact on tax revenues. In the UK's case it was over a billion dollars, not an insignificant amount.

I have seen no fiscal studies on the reduced rental stock in Portland and how recent legislative changes have affected the number of properties available to rent.

I would hate for the rental stock to primarily only be owned by Corporate America, who's only job is to increase shareholder value. This has become a big problem in LA. This already happened in the housing market from the likes of Zillow. This affected both homeowners and renters. Who will pay for the reduced tax income, Oregon tax payers? This tax revenue from rental housing should be going towards housing projects.

Corporate America and legislation has killed off many small businesses. Corporate America only cares about profits, not people. Why would Oregon want to kill off mom and pop landlords when approximately 40% of rental units are owned by mom and pops? There was very little help for small landlords during covid and many struggled. Smaller, less than 5 units dwelling are often the more affordable places to live. In Hillsboro, the large institutional owner units are around \$2 a month compared to non-institutional owned units around \$1400 for similar size units.

This is not a one size fits all problem.

I hope you take into account the several factors mentioned before making it even harder on the small investor and lower income renters.