

Submitter: Tom Petitt

On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

Good morning, Chair Jama, Vice Chair Anderson, and Committee Members. My name is Tom Petitt, I am the Vice President of Commonwealth Real Estate Services we manage 6,000 plus manufactured home sites and multi family properties in Oregon and I am also the Board President of MHCO.

We are opposed to SB611 and the Dash 1&2 amendments.

Oregon has a shortage of affordable housing, the focus should be on how to fix the supply. By holding prices below the markets worth its creating deficiencies. Landlords and developers have little or no incentive to build MH communities or rental units, there is no potential long-term appreciation for them.

In 2019 the Oregon Legislature passed HB 2003. This was to provide the steps towards helping Oregon understand its housing problem. The Oregon Housing needs report was completed in December of 2022 the summary from that report was "Oregon's ongoing housing crisis requires comprehensive and structural changes". These changes would be a step in the right direction and it's a direction that collaboratively MHCO and other housing providers would be excited to work on with the Legislature.

Focusing on controlling rents and vacancy is reacting to the problem in the short term. Focusing on supply is visionary, it will increase competition and in turn lower rents.

Proponents of further rent and vacancy controls believe that landlords and MHC owners are receiving huge returns on their investment in the current structure of 7% plus CPI. The reality is they have the same increases in operating costs, it simply just costs more for utilities, maintenance, insurance, real estate taxes and employees. I urge you to vote "NO" on SB611 and the Dash 1&2 Amendments.