

REEVES, KAHN, HENNESSY & ELKINS

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April 11, 2013

Oregon State Legislature
Carolyn Tomei, Chair
Human Services and Housing Committee
900 Court St. NE
Salem, OR 97301

RE: HB 2639

Dear Distinguished Committee Members:

I write on behalf of the Northwest Real Estate Investors Association (NWREIA) and in regard to the proposed House Bill 2639 (HB2639) currently before your committee.

NWREIA is an organization dedicated to the small real estate investor who owns a limited number of properties. The members of NWREIA typically own between one to fifteen units on the upper end. By and large our members are rarely in the business of acting as "professional landlords". NWREIA members usually self-manage their properties without the assistance of any employee or professional. They conduct the maintenance and repairs themselves, manage the accounting themselves, and usually lack the benefit of legal counsel. The income NWREIA members derive from rental properties is used to supplement their employment, save for college, create a nest-egg for retirement, or even provides the main source of income for retirees. NWREIA's small landlords are proud to the role they play in Oregon's housing recovery by providing quality housing to renters and rehabilitating properties in our communities.

Previously NWREIA has expressed concern regarding the unintended consequences associated with this bill and the potential impact upon the small landlord who may be ill-equipped to interact with the complex regulations associated participation in the Section 8 voucher program. In light of this concern, it is the respectful proposal of NWREIA that HB 2639 be amended to include the following language:

On page 2 of the printed bill, after line 6 insert:

(C) Notwithstanding any other provision of law, a person who owns ten (10) units or less may exclude any portion of the tenant's

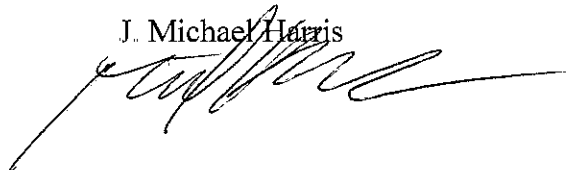
income derived from federal rent subsidy payments under 42 U.S.C. 1437f or any other local, state, or federal housing assistance, for purposes of calculating a prospective renter's or prospective lessee's ability to pay rent.

It is the firm belief of the members of NWREIA that every person in our community should have the right to safe, stable housing, and enjoy maximum flexibility in choosing where in the community to live without fear of discrimination based upon their need for assistance from social services. However, in this continuing period of economic uncertainty the small landowner too needs to ensure that they have the flexibility and ability to manage their investments without the demands and additional expense associated with participation in a housing assistance program. To this end, NWREIA's proposal is targeted at ensuring those citizens with modest investments are permitted to rely upon the traditional structure of Oregon law in the conduct of their rental activities.

Very truly yours,

REEVES, KAHN, HENNESSY & ELKINS

J. Michael Harris

A handwritten signature in black ink, appearing to read 'J. Michael Harris', written over the printed name.

JMH