April 24<sup>th</sup> 2017

**FROM** 

Linda Martin

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TO

CHAIR

SENATOR SARA GELSER

VICE-CHAIR

SENATOR ALAN OLSEN

**MEMBER** 

SENATOR MICHAEL DEMBROW

MEMBER

SENATOR TIM KNOPP

**MEMBER** 

SENATOR LAURIE MONNES ANDERSON

REFERENCE: HB2004

PLEASE READ THESE NOTES ON THE SITUATION FACING SMALL LANDLORDS

I OWN THREE RENTAL PROPERTIES IN SOUTHERN OREGON. HB2004 AFFECTS SMALL LANDLORDS IN A VERY ADVERSE WAY.

I HAVE FOR THE LAST 26 YEARS WORKED VERY HARD SO THAT I COULD HAVE INCOME FROM MY RENTAL PROPERTY BECAUSE I KNEW THAT MY SOCIAL SECURITY WOULD NOT BE ENOUGH. I AM 70 YEARS OF AGE MY HUSBAND IS 80. FOR THE PAST 26 YEARS I HAVE SACRIFICED SPENDING SO THAT THESE PROPERTIES GIVE ME SOME SUPPLIMENTAL INCOME. 1 HAVE LIVED IN EACH OF THESE HOMES. THEY ARE ALL SINGLE FAMILY. A RICH UNCLE DID NOT LEAVE THESE TO ME - I TOOK ALL THE RISK AND SACRIFICED FOR MANY YEARS. I DO NOT CHARGE ANY FEES FOR AN APPLICATION. I GIVE EVERY APPLICANT A FAIR CHANCE AT THE PROPERTY. ANY TENANT OF MINE WOULD TELL YOU THAT THEY HAD A GOOD CLEAN RENTAL AT A REASONABLE RATE. SMALL LANDLORDS HAVE A LOT FLEXIBILITY IN CHOOSING A TENANT WHO ORDINARILY WOULD NOT BE APPROVED BY A PROPERTY MANAGER. AN EXAMPLE OF THIS WOULD BE FOR A FAMILY WHERE THE FATHER MAY HAVE HAD CREDIT OR BANKRUPTY IN THE PAST. A LANDLORD CAN OVERLOOK THAT -WHEN HE MEETS face to face AND INTERVIEWS A PERSON WHO HAS MADE POSITIVE CHANGES OFTEN A BIG PROPERTY

## MANAGER CANNOT.

I WAS UTTERLY OUTRAGED WHEN I READ SOME OF THE DETAILS OF HB2004.

SECTION 1 (5) a & b
THIS INVOLVES THE LANDLORD WANTING TO SELL THE
PROPERTY AND IT DICTATES THAT THE LANDLORD NOT ONLY
HAS TO PRESENT THE ACCEPTED OFFER TO PURCHASE THE
PROPERTY TO THE TENANT but THAT THE PURCHASER (AND THIS
IS OUTRAGEOUS

TO DICTATE TO A PURCHASER WHO IS OBVIOUSLY TAKING ALL THE RISK IN THE PURCHASE THAT HE OR SHE HAS TO ONLY BE USING THIS PROPERTY AS THEIR PRIMARY RESIDENCE) HOW DARE A LAW DICTATE TO A PURCHASE IN THIS REGARD. THIS IS PROBABLY UNCONSTITUTIONAL AND WILL PROBABLY END UP IN COURT IF PASSED AS IS.

REGARDING REPAIRS AND RENOVATIONS:THE OTHER PART THAT I FIND ALMOST COMICAL IN THAT YOU
ONLY HAVE TO THINK ABOUT THE REASONING BEHIND THIS
ACTION (Renovations) IS THE FOLLOWING:FIRST OF ALL A SMALL LANDLORD HAS TO MAKE RENOVATIONS
FROM TIME TO TIME - IF A RENTAL IS NOT KEPT UP IT CAN TURN
INTO A SLUM RENTAL.

Just like you as homeowners, you want to keep up and improve your property so that if you decide to sell you sell your home at the going rate. AGAIN YOU ARE DICTATING TO A POSSIBLE PURCHASER HOW THEY MAY OR MAY NOT USE THEIR PROPERTY. I FIND THIS PART SO DISTASTEFUL IT MAY EVEN BE ACTIONABLE IN COURT. THEN THE HILARIOUS PART OF THIS WHOLE THING IS WHERE AFTER YOU HAVE DONE RENOVATIONS YOU HAVE TO THEN OFFER IT TO THE TENANT AS A NEW RENTAL BEFORE YOU OFFER IT TO THE GENERAL PUBLIC. Often these last tenants do not want to be found because they know they caused the damage. WITH A SMALL LANDLORD THE OBVIOUS REASON WHY in many cases THE RENOVATIONS HAD TO BE MADE IS BECAUSE OF THE TENANT'S BEHAVIOUR - THEY ARE THE ONES WHO OBVIOUSLY CAUSED THE PLACE TO BE IN DISREPAIR. THIS I FIND AMUSING

BUT I ALSO FIND THAT WHOEVER WROTE THIS BILL DOES NOT REALLY KNOW ABOUT THE PROBLEMS WHEN YOU ARE A SMALL LANDLORD. I ACTUALLY FIND THIS PART OF THE BILL VERY TROUBLING REGARDING THE LACK OF UNDERSTANDING THE PROBLEMS OF SMALL LANDLORDS.

I KNOW THAT THERE ARE LARGE COMPANIES THAT TAKE OVER BUILDINGS AND RENOVATE AND THEN CHARGE MORE AND SO FORTH. THIS IS NOT THE CASE OF A SMALL LANDLORD. A SMALL LANDLORD IS TRYING TO PRESERVE AND IMPROVE THEIR PROPERTY AND SO THAT AT SOME TIME IN THE FUTURE IF IT HAS TO BE SOLD THAT IT CAN BE SOLD AT THE CURRENT RATE AND NOT FOR THOUSANDS LESS BECAUSE OF BEING IN BAD CONDITION.

ALSO I HOPE YOU REALIZE THAT IT TAKES AWAY THE SMALL LANDLORD'S RIGHT TO SELL THEIR PLACE WHEN IT IS IN GOOD CONDITION AND EMPTY. OFTEN WHEN A TENANT HAS THE HOME THEY MAKE IT VERY DIFFICULT TO SHOW. HOW WOULD YOU LIKE IT IF YOU WANTED TO SELL YOUR HOME WITH THAT SCENARIO. AGAIN DICTATING TO SOMEONE WHO HAS TAKEN ALL THE RISKS HOW THEY CAN PUT THEIR HOME ON THE MARKET.

THINK ABOUT IT FOR YOURSELF. OUTRAGEOUS DOES NOT EVEN DESCRIBE THAT.

WE HAD SOME TENANTS WHO ABUSED OUR PLACE - THEY WERE THERE - THEY PAID THEIR RENT ON TIME - AND WHEN WE DID AN INSPECTION AND FOUND THAT THE KITCHEN WAS SWELLED UP WE ASKED THEM WHEN DID THIS HAPPEN AND THEY SAID ON LAST NIGHT. AT THAT POINT WE FIGURED WE WOULD WAIT BECAUSE THE DAMAGE HAS BEEN DONE. THEY EVENTUALLY GAVE US NOTICE, AND WE REPLACED EVERY FLOOR IN THE HOME. WE WORKED ON IT FOR FOUR MONTHS.IT COST US THOUSANDS TO DO. PLEASE REALIZE THAT THE OWNERS HAVE ALL THE RISK. On top of all the work and expense to get the home in good order, you are dictating that we now have to offer the "brand new" rental to the previous tenants. In the above scenario our tenants did not want to be found they disappeared with no forwarding address. PLEASE IMAGINE THE PICTURE YOU ARE GETTING OLDER YOU

PLEASE IMAGINE THE PICTURE YOU ARE GETTING OLDER YOU KNOW YOU CANNOT LIVE FOREVER - YOU ALSO HAVE DISABLED CHILDREN WHO WILL NEED YOUR HELP EVEN AFTER

YOU ARE GONE. THEN A BILL LIKE THIS IS PASSED THAT AFFECTS YOU SO DRAMATICALLY THAT IN SHORT THE BEST THING WOULD BE TO GET OUT OF THE RENTAL BUSINESS WHEN THIS WAS WHAT YOU PLANNED FOR NOT ONLY YOUR FUTURE (AS INCOME) WHICH YOU EARNED BY WORKING YOUR BUTTS OFF AND SACRIFICING FOR MANY YEARS AND IT WAS A PLAN FOR YOUR CHILDREN'S INCOME THAT THEY WOULD NEED WHEN YOU ARE GONE.

YOU MAY VERY WELL IF THIS BILL IS PASSED, BE CREATING LESS RENTALS INSTEAD OF MORE. I AM NOT ALONE IN WHAT I HAVE DESCRIBED TO YOU.

BEING A SMALL LANDLORD IS THE PITTS SOMETIMES AND WITH THIS NEW BILL IT MAKES EVERYTHING SO WORSE THAN IT SHOULD BE.

MY THOUGHTS RIGHT NOW HAVE CHANGED FROM WANTING TO KEEP MY THREE PROPERTIES IN TRUST FOR MY DISABLED CHILDREN.

NOW MY THOUGHTS ARE THAT THIS MAYBE THE TIME TO SELL AND DO SOMETHING DIFFERENT. I KNOW OTHER LANDLORDS THAT ARE THINKING THE VERY SAME THOUGHTS.

MAYBE YOU NEED TO CONSIDER A CLAUSE THAT IF YOU HAVE LESS THAN FOUR OR HOWEVER MANY RENTALS THAT YOU DECIDE IS SMALL, THAT THEY WOULD NOT BE SUBJECT TO SOME OF THESE OUTRAGEOUS CLAUSES.

I ASSURE YOU THAT FOR US THIS IS AS BAD AS IT COULD GET. I REALLY BELIEVE THAT THE SMALL LANDLORD MIGHT BECOME A THING OF THE PAST.

I BELIEVE THAT YOU HAVE ONLY CONSIDERED LARGE COMPANIES WITH A HUGE AMOUNT OF RENTALS.

IN THE RENTAL BUSINESS ONE SIZE DOES NOT FIT ALL.
I WOULD BE MORE THAN WILLING TO COME DOWN TO YOUR
OFFICE AND ANSWER AND EXPLAIN ANYTHING YOU NEED TO
KNOW ABOUT SMALL RENTAL OWNERS AND THE PROBLEMS
THEY HAVE ALREADY AND THE EXTRA PROBLEMS THAT THIS

BILL WOULD GENERATE.

SINCERELY RMO a Mastin