

Written Testimony in Support of SB 611B

To: House Committee on Rules

Testimony by: Angela Garvin, Oregon Floating Home Owners and Manufactured Park Tenant Advocate

Wednesday, June 21, 2023

Chair Fahey and members of the House Committee,

Thank you to the Committee for this opportunity to allow me to testify in support of SB 611B, rent stabilization for tenants.

My name is Angela Garvin. I am an advocate for floating home owners and manufactured home owners in rented space. I am also the President of OSTA (Oregon State Tenants Association) which is dedicated to educating, empowering, and advocating for park and marina tenants.

Park and marina tenants do not live in a free market scenario. 80,000 park and marina tenants are held captive by their landlords all over Oregon.

Park and marina tenants own their homes and are responsible for the upkeep and maintenance of them and the space on which their homes are situated – these tenants only rent from landlords the land or water on which their homes sit.

In a year when home sales and home prices have fallen drastically, the ability for a landlord to increase rents at all essentially robs these homeowner tenants from the equity they've built in their home AND prevents them from selling their homes in order to get out from the captive situation that current Oregon laws allow.

In order to escape an unaffordable park or marina rent increase once it's announced, the only option for park or marina tenants is to sell their homes and move somewhere else to be able to afford housing. In order to sell their homes, homeowner tenants must reduce the price of their homes to, not only be in line with other home price decreases around the region in a year like this one, they also must lower the prices even more significantly to make their homes competitive to other homes on the market where the landlord isn't increasing rents by 9-14% annually. This means bargain basement pricing for tenant's homes while the landlord is

simultaneously profiting from the high increase, which also means the homeowner has less money in their pockets to purchase again.

To add further injury to the homeowner, if the tenant cannot sell the home in this type of market, the rent is still due, and if the rent is unpaid, the landlord can evict the homeowner and take possession of the tenant's home (the landlord can take possession of the homeowner's home)!

Outrageous increases for park and marina homeowner tenants are unsustainable.

This threat immensely destabilizes the housing for over 80,000 Oregon tenants who are also home owners and must now find housing they can afford at the very time that their landlord is taking the tenant's invested home equity on the tenant's way out.

Oregon laws currently allow park and marina landlords to rob Oregon homeowners of their home's equity by allowing outrageous rent increases beyond any actual increase in home and property value.

But even in a housing market where housing prices are increasing, when landlords raise rents above typical market increases, not only are they taking 100% of the home's annual appreciation for themselves, but they are also reaching in and extracting the home's equity. This is how the landlords take away years of a homeowners' investment into their own property.

Any investment a tenant makes in their park or marina home, whether they purchase a new roof or make upgrades to the siding, with an annual increase between 9-14%, it's easy to see that the homeowner will never recuperate that investment because the landlord has taken the homeowner's home investment as the landlord's own profit.

The very reason that home ownership is such an attractive part of the American Dream is because it provides the home owner with the following:

1. The ability to **build equity**
2. The ability to **take that equity with you** if and when you relocate so that you can **afford to purchase other housing** in the future or pass on something to your children.
3. The **stability of fixed monthly payments**, while typical apartment rents rise with inflation

Currently, Oregon laws do not give park and marina homeowners that opportunity to participate in a free market where they, too, can build equity and take it with them.

Please support SB611B so that the current barriers to fair competition can be somewhat lifted and we can give park and marina homeowners a chance to continue owning their homes.

Angela Garvin