

Testimony regarding SB611

My name is Mark Christianson and I live in Beaverton, Oregon I have worked in the rental housing industry for almost 40 years. **Please vote NO on SB 611.**

It's clear that rent control isn't working in Portland or around the state. Most of our cities are growing more unaffordable by the day. This bill will make things even worse and **doesn't address the root cause of housing instability.**

Housing Oregonians at the sole expense of those providing their housing is not sound public policy and is not a sustainable way to address housing instability. We need to focus on permanent rent assistance and increasing supply. Every time you place more risk or financial burden on a Landlord you drive up the cost of investing in housing and subsequently drive rent rates up and supply down.

I am in Property Management, working with Landlords to manage their rental home investments. I have lost several clients in recent years due to the increased risk. Some are selling their rental homes and purchasing in Washington or elsewhere. Others are simply moving their money to other investments. When people believe that the stock market is a better investment than real estate, you know there is a problem.

The State has expressed a goal of seeing 36,000 new housing units per year. They (the State) wants to insure that rents remain affordable. I believe these goals are achievable but only if the state SUPPORTS private investment, not by making it riskier and less cost effective. I am not suggesting incentives for Landlords, just reverse those laws and policies enacted in the last few years that increase risk and cost for people wanting to invest their savings in real estate.

SB 611 will drive small and large rental owners out of the market and hamstring much needed multifamily developments. Lack of housing supply pushes rent rates up, makes it harder for businesses to grow, for local governments to have a solid tax base, and for Oregonians to stay in their own communities.

Rent prices are set by several factors like rising tax, utility and insurance costs, inflation, and increases in the cost of maintenance and payroll, and local tax burdens. All of these costs are only increasing. Every time the State limits rate increase options it pressures Landlords to take the fullest advantage of rate increase limits. Most Landlords and Property Managers would prefer reasonable increases that cover rising costs of ownership over maximum increases, but with risk rising and the number of allowed choices falling every year they must take all the opportunities to build income that are allowed.

SB611 is bad. Please do not make this into law.

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