

### 3.27.23 SB 611 testimony in opposition

My name is Leslie Stoner, my husband and I own rental property in Eugene and have been housing providers for 18 years. We are retired and live on our rental income.

Proposed changes are another move that makes big business grow and small business die. Since rent control was passed, hundreds of Oregon Mom and Pop landlords have sold, further decreasing supply. New restrictions under consideration will further limit our ability to recover the cost of improvements and drive more new construction out of Oregon.

There are many more thousands of small businesses in Oregon who aren't housing providers. Electricians, plumbers and other tradespeople we rely on to maintain our properties have raised their rates by 40% or more since the pandemic began. Laws restricting our freedom to run our businesses are known to decrease supply – the very thing Oregon needs most.

Inflation has dramatically affected our small business - last year property insurance went up 20%. In February we replaced three-year-old carpet damaged by a tenant – installation labor was triple from three years ago. Replacing a small house's roof last year was \$12,000. Utility costs have increased far more than inflation. If rent isn't allowed to keep pace with inflation, how can we remain viable?

After SB 608, most property improvements no longer made sense; mitigating risk became key. We removed refrigerator icemakers as units were vacated. If SB 611 passes, it will be wise for us to remove washers, dryers and hook-ups, as another local landlord has done. Units will rent for less, but significant risk will be eliminated. As it is, if a water leak renders a unit inhabitable, we'd owe a tenant a month's rent and still have to pay for repairs. With proposed changes, we'd owe a tenant three months' rent, plus repairs. If SB611 passes, we'll start preparing to sell. That's nine more units out of the rental pool.

What's missing in Oregon is affordable housing. Driving more small landlords out will decrease supply and make housing less affordable. This government overreach interferes with free enterprise. Isn't it the State's role to incentivize housing creation in a market where providing lower priced-housing isn't financially viable?