

Submitter: Joshua Victor

On Behalf Of:

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Hello, my name is Joshua Victor, my family and I have been in the rental market since we moved here in 1989. We started our business by mortgaging the equity in our home, to buy a property from our neighbor who was losing his home. We bought the home and rented it back to him while we made improvements on the home. After a few years we had enough equity to refinance and use the money to buy another home in Sweet Home. This is how we have operated for several years. When we heard about the rent control bill passing in Oregon we were actually pretty freaked out. Not knowing how it would affect us, we sold several properties, shrinking the rental market in our area. To my surprise the rental regulations set by the state not only increased the price of all new rents and deposits to almost double, but decreased the amount of rentals in the area since so many home owners decided to sell their rentals. Historically any place that has ever enacted rent control laws has drove up rental prices and selling prices of homes. I'm sure that was brought to light before they passed the last rent control laws. They were passed none the less; and that's exactly what happened. Now you want to pass a law that landlords will have to pay for 3 months of relocation expenses. This means landlords are going to have to raise deposits and rents every year from the already high deposits and rents that they collect; in order to cover if they have to move a tenant. Prior to the rent control laws that were passed, I would go several years between rent increases. If tenants paid their rent on time and kept their house in order, I would go as long as possible without increasing rent. Now that there is a cap, I find myself raising rents almost annually in order to keep up with inflation. As a landlord, it is not beneficial at all for me to evict or move people for any personal reasons. There are only 2 reasons that make sense for landlords to Evict or move people. First, is they don't pay rent, which makes it difficult for a landlord to pay a mortgage if he's not getting rent. Second, is that the tenant is destroying their property, and the repairs are amounting to much larger than the deposit will cover. Other than that it doesn't make sense for a landlord to evict. if you have just 1 month empty, plus making repairs for the unit to get it back to rentable, then your profit for that year is already gone. Now lets say that a tenant was renting and started out great; but after just over a year, starts dabbling in drugs and destroys one of my homes. Under your new law, If i want to evict him to clean up my property or for repairs that would make me liable for 3 times his rent even if he is the one who caused the damages that I now have to repair. So now I just lost my mortgage payment for 3 months, I have to spend thousands in repair cost, and I have to pay for the person who damaged it, to go destroy another home somewhere. How am I suppose to make rentals viable if I can no longer make a profit on the unit for the next 2 years. For example I have a home that rents for \$1200.00 a month, that I have a mortgage on for \$900 a month. Under your law I would have to pay a tenant

that made my property now need repairs; \$3,600.00 to relocate. Even If I rent the unit out without any repairs(which keep in mind could also be thousands with todays market)for the same \$1,200.00 a month, it would take over a year for me to turn a profit. So what options do I have? Now that its empty, raise the rent or sell the property to turn a profit. Both of these options only hurt the tenants your trying to help. This is exactly what's been happening in our State over the last few years. More homes are getting taken off the rental market and sold, while rent prices are continuing to be raised. Also, thanks to these new laws, most landlords now feel that they have to raise rents annually in order to keep up with the markets. So are your laws really helping?