

Submitter: Robin Springer
On Behalf Of: Self
Committee: Senate Committee On Housing and Development
Measure, Appointment or Topic: SB586

I am writing in support of SB 586 which will provide greater flexibility to property owners/sellers and buyers in situations where the buyers intend to occupy the property as their principal residence. As a real estate broker in the Portland metro area, I've seen numerous situations where property owners/sellers are penalized when they need to sell a tenant occupied rental property due to current Oregon laws. The majority of my clients who own rental property have 1-2 properties and each situation is unique. Sometimes property owners need to sell due to financial circumstances, divorce, relocation for work or they no longer want to own a property.

Under current law, the property owner/seller must give 90 days notice to the tenant after the seller enters into contract to sell the property. However, if a buyer intends to occupy the property as a primary residence and is obtaining a loan, the maximum rent back period after closing is 60 days. So, at best, the property owner/seller can close 30 days after providing notice to the tenant and hope the buyer will accept the tenant at closing for a 60 day rent back (meanwhile most transactions typically close between 21-30 days). But, many buyers are understandably leery to close in 30 days and accept a tenant for a 60 day rent back because they don't want to be responsible for removing a tenant if they refuse to vacate or they are concerned about a tenant damaging the property before move out. Therefore, most property owners/ sellers are forced to settle for a buyer who will wait 90 days to close. Ultimately, this may cost the property owner/seller time and money.

However, with a reduction in the 90 day notice period under SB 586, property owners/sellers and buyers will have more flexibility and options available. This is a much needed change to the current law. If you want to have a wide variety of landlords and types of rentals available in Oregon, there must be a more evenly balanced climate that considers the needs of property owners/sellers as well as the rights of tenants.