



## Oregon REALTORS® Testimony on HB 3054A

Chair Pham, Vice Chair Anderson and Members of the Senate Committee on Housing and Development:

The Oregon REALTORS® is an industry association comprised of roughly 18,000 real estate brokers, principal brokers, property managers and affiliated real estate industry partners. In turn our members represent hundreds of thousands of Oregonians in their real property transactions.

We recognize the importance of the concerns raised by this bill including the impact of rent increases on fixed income residents of manufactured home parks and marinas. However, we do not believe that capping rent is an appropriate or effective long-term solution to these concerns.

If the costs of operating a park exceed the cap, the cap will result in disinvestment in parks and the decline in the quality of living and services provided at them. Rent caps also put pressure on park owners to sell their parks which could result in further decline in park conditions or redevelopment of parks into other uses.

The bill does allow for a 12% increase for park infrastructure improvements once every five years, but because it is subject to a majority vote of the tenants it is not clear whether these investments would actually occur and cannot be planned on by a park owner.

The bill also sends a message to park owners and landlords across Oregon: that Oregon's rent control laws are likely to continue to be ratcheted down. It would be quite reasonable for a park owner (or any property owner) to assume that in the future further rent increase limitations will occur, as has been demonstrated by the legislature's continued ratcheting down of allowable rent increases since SB 608 was passed in 2019. This concern over continued ratcheting down of allowable rent increases creates a further disincentive to park ownership and to housing providers more generally.

Because rent control is counterproductive to the goal of preserving quality, affordable housing, Oregon REALTORS® encourages the Committee to reject HB 3054A.