



Chair Marsh, Vice-Chairs Breese-Iverson and Andersen, and members of the House Committee on Housing and Homelessness,

Oregon REALTORS® is a trade association representing 17,000 real estate brokers, principal brokers and affiliated industry professionals. Our members in turn represent hundreds of thousands of Oregon property buyers and sellers in their real estate transactions. We are opposed to HB 4128 with the -2 amendment because of the “bounty hunter” private right of action enforcement provision contained in Section 2(4).

On the substance of the prohibitions and exceptions in the bill, we greatly appreciate Rep. Bowman’s office engaging with us early and addressing our biggest concerns. While Oregon REALTORS® generally disfavors point of sale restrictions that limit the marketability of real property, with the amendments to the *substantive* parts of the bill in the -2 amendment, Oregon REALTORS® would be OK with HB 4128.

However, we are strongly opposed to the “bounty hunter” private right of action enforcement provision that is included in the -2 amendment.

The base bill is enforced by the Attorney General. But Section 2(4) of the -2 amendment essentially deputizes any person, ***regardless of whether they were harmed***, to go and hunt for investors who may have violated this law and statutorily recover \$250,000 in damages plus attorney fees, even though they weren’t damaged. The defendants in these lawsuits would not be investors committing toxic torts, elder abuse or financial crimes. They would just be investors purchasing homes in arm’s length transactions with sellers and then renovating and renting out those homes to Oregonians. ***This is not the type of law that should be enforced by way of a bounty hunter provision.***

Imagine an investor who purchases a home on the 89th day of a waiting period even though not a single other person offered to purchase the home because it was in poor condition and not financeable through a traditional mortgage. Under the -2 amendment, a person who had nothing to do with the transaction—who was not even trying to purchase the same home—can bring a lawsuit and recover \$250,000 plus attorneys fees without demonstrating any harm. A cottage industry of profiteering plaintiffs and lawyers suing investors will undoubtedly pop up if this bill were to pass with the bounty hunter private right of action. ***This sends the wrong message at the wrong time about Oregon to the national investor community.***

The rest of the bill with the -2 amendments represents a reasonable approach to regulating this issue without spooking the investor community. Section 2(4) of the -2 takes the bill in the opposite direction.

We encourage members of the Committee to oppose the bill with the inclusion of the Section 2(4) of the -2 amendment.