

Rosenberg Corey

From: J Jiang <jji686@yahoo.com>
Sent: Tuesday, May 02, 2017 2:51 PM
To: SHS Exhibits
Subject: vote no to HB2004-A

Dear Senator,

I am writing in opposition to HB2004-A. I own 2 units in Tigard area and I am working to grow my portfolio. This bill will severely hinder landlord's ability to manage their rentals. It removes a layer of protection from dishonest tenants. This bill may seem like it protects tenant rights but it really does not address the issue of lack of housing. HB2004-A

- (1) Removes the current preemption on rent control put in place by the Oregon Association of Realtors and other industry partners.
 - a. Contains few if any safeguards on what a rent control program will look like, despite the fact that economists almost universally agree that rent control programs are an abject failure.
 - b. Rent control programs tend to harm those they seek to protect by discouraging development of multifamily units.
 - c. Many small landlords already do not raise rents following with the trend. Rather, we raise them based on actual costs. If the controls are put in place, landlords will feel compelled to max out in fear of not being able to raise when needed.
- (2) Eliminates no-cause notices for all rentals except for month-to-month tenancies in the first 6-months of tenancy. Tenant issues are not limited to the first 6 months of tenancy. No-cause gives landlord another option to get rid of unruly tenants.
- (3) Requires all fixed-term tenancies to convert into either an additional fixed-term tenancy or month-to-month at the discretion of the tenant. There is no opportunity for the landlord to terminate the tenancy other than for cause. **This requirement is BIASED against Landlords.** At the end of a lease, a landlord should have the right to end or continue the business relationship. After a term ends, if I want a tenant to stay, I offer incentives or renegotiate. But when the agreed term ends, why should one party **BE forced** to continue in a business relationship? There are instances where the business relationship is just not a good fit. The end of a lease is an ideal time for either party to walk away without conflict. **This requirement is contrary to common sense!!!** I understand that many multi-family/corporate managed complexes already have this in place, **but it should not be mandatory.** Please let us decide who we want to do business with.
- (4) Requires a 90-day notice for sellers selling single family rentals to a good-faith purchaser, and may require payment of one-month's rent. Any requirement to pay one month's rent in this scenario is ABSURD if tenants are given sufficient notice.

(5) Requires payment of one-month's rent for just cause terminations of tenancy, unless the landlord owns fewer than 4 units. This requirement is completely **contrary to common sense** as it first rewards bad behavior. If a tenant is already delinquent on rent, why should the landlord have to absorb more damage? And second it harms those it seeks to protect by discouraging development of multifamily units. Finally, why only 4 units? Why is this breaking point? At four units, the landlord is probably finally making an income, but not a living. This provision discourages entrepreneurship.

(6) Requires first right of refusal to prior tenants where significant improvements or upgrades are made to a rental unit. I truly don't understand why the tenant has the right to decide when improvements can be done on the property. I do understand that they would need sufficient notification.

Please vote NO on HB2004-A. I understand you are trying to give a layer of security to tenants in precarious situations. However, an unscrupulous tenant could easily push me into an uncertain existence that I strive to stay out of. Legislation like HB2004-A increases the risks, discourages entrepreneurship, as well as discourages development of multifamily units in this industry. Rather than setting landlords against tenants, please focus on the real issue of supply and demand.

Thanks.

best regards,
Jutao Jiang