

RE: HB-2004-A

Dear Sirs and Madams:

I am writing in opposition to HB-2004-A. Please give housing in the State of Oregon time to stabilize. What we are seeing today is the pendulum still swinging, dramatically, from the financial crisis of the late 2000s. Please let me remind of you of where apartment owners were a few short years ago. Between 2010 and 2012, my revenue at a relatively small apartment complex in Klamath Falls, Oregon dropped by over \$50,000 per year. We had a vacancy rate of over 30%, offered free rent and/or no deposit to move-in and lowered rent in some cases over 10%. These actions all had no effect on the vacancy rate. People did not want to live in apartments or they could not afford to live in apartments and not a single apartment owner that I'm aware of went to their congressional delegation asking to suspend foreclosure proceedings on multifamily complexes because tenants weren't willing to pay them rent anymore. The pendulum was on the tenant's side. If I had a potential tenant with a job and a decent rental history, they could have asked me to take them out to ice cream and I probably would have jumped at the chance.

If we shift to today all of my units are full, there is a waiting list and my rents, while still below 2010 levels, are close to what they used to be. The town hasn't had any major new employers or any headline grabbing investments that have made the town a more desirable place to live, so why are things "good" for me as an apartment owner. My argument is that development hasn't kept up with natural population growth. Our community has not had a market rate multi-family housing development built since 2007. So I'm not doing a better job of running my apartments than I did in 2012, there just isn't enough housing or anything new, people don't want to want to live in their mom and dad's home forever and current rents don't justify costs of new construction. The pendulum has swung quickly and dramatically to the landlord's side.

Construction has been going on in the population centers of Oregon and eventually a new multifamily complex will be built in Klamath Falls. These buildings will eventually be finished and more housing product on the market will cause the pendulum to swing back towards the center, it may even swing past balanced and back into a tenants favor. Once in a lifetime events cause systems to get out of balance and patience and time are the best remedies to allowing the natural state to return. As Senators, I would hope that you don't have knee jerk reactions to every shift in the winds, measured nuanced changes are far more appropriate, if any action is appropriate at all. When looking at HB-2004A will any of the changes being proposed get you excited or motivated to buy a house or multifamily complex and to rent it any one the tenants that have banded together to demand these changes. If you answer is not a resounding, "Yes!" Then is this really solving the problem?

Sincerely,



Matt Dodson