

Rosenberg Corey

From: Mark Reed <mark@mjpmanagement.com>
Sent: Friday, May 05, 2017 8:42 AM
To: SHS Exhibits
Subject: HB 2004-A Testimony

Senate Committee on Human Services,

I am writing you to express my opposition to HB 2004-A, specifically with regards to the elimination of “no-cause” evictions and a cap on rent increase.

As a property manager in the Portland market for the past 20 years, I see firsthand from the property owner perspective the need for a “no-cause” termination of tenancy.

There are cases where a property owner must terminate a lease (not all of them to substantially increase rents or kick out a tenant), and eliminating that right will cause a further housing shortage.

Already, within the City of Portland, we have had a significant number of our landlords decide to issue notices to vacate in the past 3 months, since the City of Portland Emergency Housing Ordinance was amended, which is further reducing the housing supply and rental market for single family homes. Landlords that were on the fence have decided to sell, and to place their investment money in other arenas, in many cases taking that money out of the City/State.

Currently, in a fixed term rental agreement (for one year) – at the end of the year – both the tenant and landlord have the ability to decide that the agreement is not working out – and they can both move on from that agreement. With the elimination of no-cause evictions, in many cases a fixed term rental agreement becomes indefinite. What happens if a property owner has a significant change in circumstances (for instance a family emergency, requirement to pay for child health costs, college, or other expenses) that forces them to sell the property – it may be a challenge to do so with tenants in the property...

Again, the intentions to assist long term rental tenants, and to shield them from predatory actions are honorable, and commendable, but the elimination of landlord protections, and the modification of property rights have severe unintended consequences such as higher rents (not lower), a continued decrease in the rental supply, and more “for-cause” evictions, which all are much more damaging to the rental population as a whole.

Thank you for your consideration and deliberation on this sensitive matter.

Mark Reed | Principal

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