

Submitter: Christin Hunter
On Behalf Of: Self
Committee: House Committee On Housing and Homelessness
Measure, Appointment or Topic: SB586

Chair Marsh, Vice-Chair Anderson, Vice Chair Breese-Iverson and Members of the House Committee on Housing and Homelessness:

I am writing in support of SB 586 A?, which will provide greater flexibility to property? owners/sellers and buyers in situations where the buyers intend to occupy the? property as their principal residence. As a real estate broker in Central Oregon,? I've seen numerous situations where property owners/sellers are penalized? when they need to sell a tenant occupied rental property due to current Oregon laws.? In addition, Since the inception of SB 608 requiring the 90 No Cause Termination, many buyers are faced with the prospect of committing mortgage fraud in order to purchase a property that is tenant occupied. This is not a choice that Oregon's legislators should have ever put its citizens in the position to have to make.

The 90 Day no cause termination laws set forth by SB 608 were inherently flawed. While attempting to protect a tenant's housing, the very same law creates equally troubling prospects for buyers and forces them to choose between committing mortgage fraud or simply not purchasing a property that is tenant occupied. In a climate where housing inventory is already extremely limited, the existing laws are a direct contribution to a growing problem. The current law not only creates legal jeopardy for a buyer, but also limits housing choice, housing opportunity and options for Oregonians to purchase owner occupied housing. Isn't this the very thing that the State of Oregon and its representatives are fighting to create and protect for all Oregonians?

?Under current Oregon law, a 90 notice to vacate to the tenant is required and only allowable in cases where a property owner plans to use the property as a primary dwelling. This notice can only be served once the property goes under contract to sell the property. The conflict exists if a buyer intends to occupy the property as a primary residence and is obtaining a loan. Primary residence mortgages stipulate that the maximum rent back period upon closing is 60 days. Buyers are required to certify this upon closing when signing loan documents with title and escrow. The unfortunate reality is that when lawmakers pushed the original legislation through, there was lack of consideration and forethought for the consequences this would have on property owners and Oregonians who are trying to achieve the security of being a homeowner.

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By passing SB586 A, Oregon has an opportunity to remedy legislation that effectively eliminated housing options for Oregonians to buy homes, as well as not forcing

people to have to choose between home ownership and mortgage fraud. Under no circumstance should anyone's right to choice in housing supersede another's; and supporting SB 586 A is a small step in moving the scales back toward balance so that both tenants AND property owners are fairly represented and protected under Oregon law.