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On Behalf Of: NJW Property Management
Committee: House Committee On Housing and Homelessness
Measure, Appointment or Topic: HB2305

We are a Family-Owned Property Management Company. Most of our owners have only one or two properties. The current rules are much harder on owners of a few properties than on large complexes. A large portion of the rental properties in Oregon are owned by investors fitting this profile.

Under the current set of rules here is a typical scenario that we face. On the 8th day of the month is we have not received any rent we issue a 10 day demand notice to pay or Vacate the property. This notice comes due on the 18th of the month if posted or the 22nd if mailed. Assuming they have not paid or left we now file a F.E.D case with the county. The date for the first hearing will fall well into the following month. Assuming the tenant has not paid they are now two months behind. The owner has now had to cover expenses (Mortgage, Repairs etc.) without income for 2 months. If an agreement cannot be reached at the first hearing for the tenant to vacate or pay and the tenant chooses to go to trial that extends the time even further. Washington county is now so backed up they are scheduling 6 to 8 weeks out at this point.

At any time prior to the trial the tenant only need to pay the one month he owed from the initial 10 day notice to dismiss the case. At this point the tenant is still 2 or more months delinquent and now another 10day notice will be issued for what is now multiple months rent. That will be much harder for the tenant to pay to dismiss but the process still requires an initial hearing , Setting trial and the process after the trial to achieve a lockout.

This entire process could take 6-8 weeks at best and close to 3 months at the worst. During which time our small owners have to cove all expenses out of their own pocket and it is unlikely they will ever recover any of the lost income.

Under the current process we have seen owners forced to sell their investments because they cannot financially absorb the difficulties the present process presents to them.

On a personal note, I have a nephew who is in the process of liquidating his business and he wishes to buy 8 to 10 rentals as a source of ongoing cashflow. Our state was not considered as he felt the laws were so restrictive that it was too much of a financial risk

Thank you for allow me to comment on this proposed law

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