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On Behalf Of:

Committee: Senate Committee On Housing and Development

Measure: SB611

To whom it may concern:

What you are planning on doing by punishing landlords is going to have the opposite affect you are looking for. Landlords are selling their single family and even smaller units by the hundreds every month because of the artificial controlling that is putting them out of business. These properties, specifically the 1-4 unit rental properties are being sold and most of them are going to owner occupied which reduces the rentals all together. The following are problems but not limited to:

- Fewer and fewer rental properties available.
- Less opportunity for someone that is not perfect with credit, criminal and rental history to get accepted.
- All will be moved sooner than the year lease to make sure landlords don't get "stuck" with a bad tenant.
- Properties will not be maintained or updated, emergency repairs only will be made because there will not be a reserve and landlords will not have sufficient funds.
- Older generation that bought rentals for retirement will now be financially crippled because of the negative income stream.

There is a problem. What if you talk with landlords and find out how you can help them provide an optimal rental situation? Some ideas below would help considerably.

• Eliminate rent increase limits. Landlords know who their bad tenants and good ones are. This way eliminating bad tenants quickly can afford a better rent situation for good ones. Good tenants are not run out of properties for rent increases, just the bad ones. Are there exceptions? Yes of course. Have a program for the ones that get lost in the system, the 1% that need help.

- Go back to 30 day notice for evictions and notice for tenants to move out. If we loosen up the rental inventory, there will be plenty of places to move.
- Landlords should have the right to evict tenants when it is not working out. Property damage, not getting along with neighbors, not paying, etc., are all good reasons to get them out. If you let landlords evict with no cause and no punishment, this also saves the tenants rental record.
- If someone is trying to sell their property, they should have the ability to have it so a buyer will want to buy it. Having a bad tenant in there is going to reduce the value of the property.
- Are you even kidding me on paying tenants to move out? Now proposing 3 months payment??? There is no profit for the year, barely a few hundred dollars at best positive cash flow and put money away for reserves. Tenants do not need to be paid to move, even one months rent. This is absolutely absurd.
- Make it easier to get bad tenants out once they are in. This way landlords feel

more comfortable giving a marginal tenant a second chance.

- Reduce red tape and fees for building. If you make it easier to build, builders will get back in the business of building again. This will also increase homes for people to purchase to live in as well as rental housing.
- If you take a look at areas that do not have a rental housing shortage, you can see what they are doing to help instead of hurt the market.

As you can see whenever there are more restrictions and risks, people are more likely to back out of the rental business. The more restrictions, the worse the rental market gets with lack of inventory, higher rents and more prospective tenants not being able to find a place to live.

If your goal is to help the market, you will consider this. If your goal is to punish mom and pop landlords and hurt good tenants for the sake of “protecting” the bad ones in your eyes, you will ignore this. Just remember you are hurting the bad tenants as well by eliminating their options of a rental opportunity. The punishment for the good ones will be their rents are raised where they normally would not because of the limit of increase and the necessity to have a reserve for any repairs and maintenance.

The punishment for landlords is obvious.

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