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This memo is intended to provide the reader with a summary of SB 608 in order to guide the reader in how best to make decisions and seek further legal assistance. Please contact my office with questions about SB 608 or its impacts on your tenancies.

MONTH-TO-MONTH TENANCY TERMINATIONS

During any time at a rental property with a month to month rental agreement, the tenant may terminate the tenancy with at least 30 days written notice.

During the first year of occupancy at a rental property with a month to month rental agreement, the landlord may terminate the tenancy for no reason with at least 30 days written notice.

“First year of occupancy” means the first year of any tenant’s residency at a rental property with a month to month rental agreement.

After the first year of occupancy at a rental property with a month to month rental agreement, any landlord (who doesn’t live on the premises) may terminate a month to month rental agreement only:

1. For a tenant cause;
 2. With notice in writing; and
 3. Pursuant to ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445
- ORS 86.782 (6)(c) – eviction of bona fide tenants after non-judicial foreclosure
 - ORS 90.380 (5) – 24 hour eviction after a government agency posts a dwelling unit as unsafe and unlawful to occupy due to the existence of dangerous and unlawful conditions so long as the conditions were not caused by the landlord or by the landlord’s failure to maintain the dwelling

- ORS 90.392 – 30 day ‘for cause’ eviction for material breach of the rental agreement or material violation of ORS 90.325
- ORS 90.394 – 72 hour ‘for cause’ eviction for failure to pay rent
- ORS 90.396 – 24 hour ‘for cause’ eviction for outrageous conduct by a tenant, such as committing certain crimes on the premises, causing substantial personal injury to someone on the premises, or intentionally inflicting substantial damage to the premises.
- ORS 90.398 – 48 hour ‘for cause’ eviction for sharing drugs or alcohol at drug and alcohol free housing
- ORS 90.405 – 10 day ‘for cause’ eviction for tenant keeping unpermitted pet
- ORS 90.440 – 24 hour ‘for cause’ eviction from a group recovery home for tenant who has used or possessed alcohol, marijuana or illegal drugs within the preceding seven days.
- ORS 90.445 – 24 hour ‘for cause’ eviction if a tenant commits domestic violence, sexual assault or stalking against a household member who is a tenant

Also, after the first year of occupancy, a “qualifying landlord” may terminate a month to month rental agreement with at least 90 day written notice if:

1. The landlord intends to demolish the dwelling unit within a reasonable time; or
2. The landlord intends convert the dwelling unit to a use other than residential use within a reasonable time; or
3. The landlord intends to undertake repairs or renovations to the dwelling unit within a reasonable time and:
 - a. The premises (i.e. dwelling unit, appurtenant structures and grounds) is currently unsafe or unfit for occupancy; or
 - b. The dwelling unit will be unsafe or unfit for occupancy during the repairs or renovations; or
4. The landlord has:
 - a. Accepted an offer to purchase the dwelling unit separately from any other dwelling unit; and
 - b. The buyer is a person who intends in good faith to occupy the dwelling unit as the person’s primary residence; and
 - c. Within 120 days after accepting the offer to purchase, the landlord provides
 - i. written notice of termination; and
 - ii. written evidence of the offer to purchase the dwelling unit; or
5. The landlord intends:
 - a. For the landlord or a member of the landlord’s immediate family to occupy the dwelling unit as a primary residence; and
 - b. The landlord does not own a comparable unit in the same building that is available for occupancy at the same time that the tenant receives notice to terminate the tenancy.

- c. For this exception, “landlord’s immediate family” means:
 - i. An adult person related by blood, adoption, marriage or domestic partnership;
 - ii. An unmarried parent of a joint child;
 - iii. A child, grandchild, foster child, ward or guardian; or
 - iv. A child, grandchild, foster child, ward or guardian of any person listed in (1) or (2).

Please note that termination under (5) for a landlord or landlord family who “intends to occupy the dwelling unit as a primary residence” does not contain a requirement that the landlord intends to do this “within a reasonable time.” This indicates that a landlord does not need to intend to occupy the dwelling unit within a reasonable time.

A “qualifying landlord” who is terminating a month to month tenancy must:

1. Specify in the termination notice the reason for the termination and supporting facts allowing termination;
2. State that the rental agreement will terminate on a specific date at least 90 days later; and
3. Pay the tenant one month’s rent when the written termination notice is issued UNLESS the landlord has an ownership interest (i.e. sole owner or co- owner) in three or fewer dwelling units anywhere (not just Oregon).

For a landlord who resides in the same building or on the same premises as the tenant, and the building or the property has one or two dwelling units, the landlord may terminate a month to month rental agreement at any time after the first year of occupancy:

1. For cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445;
2. Without cause by giving the tenant written 60 day termination notice in writing; or
3. Without cause by giving the tenant at least 30 day written notice if the landlord has:
 - a. Accepted an offer to purchase the dwelling unit separately from any other dwelling unit; and
 - b. The buyer is a person who intends in good faith to occupy the dwelling unit as the person’s primary residence; and
 - c. Within 120 days after accepting the offer to purchase, the landlord provides
 - i. written notice of termination; and
 - ii. written evidence of the offer to purchase the dwelling unit.

FIXED TERM TENANCY TERMINATIONS

During a fixed term tenancy, a landlord can terminate the tenancy only for cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445.

If a landlord has a tenant with a **fixed term tenancy of less than one year**, the landlord may terminate the tenancy at its expiration without cause by giving the tenant 30 day written notice (30 days prior to the specified ending date for the fixed term, or 30 days prior to the date designated in the notice for the termination of the tenancy, whichever is later.)

If a landlord has a tenant with a **fixed term tenancy longer than one year**, the fixed term tenancy automatically becomes a month-to-month tenancy at the expiration of the fixed term, unless:

1. The landlord and tenant agree to a new fixed term tenancy; or
2. The tenant gives written notice of termination at least 30 days before the end date for the fixed term; or
3. The landlord is a “qualifying landlord” with a following reason for termination
 - a. The landlord intends to demolish the dwelling unit within a reasonable time; or
 - b. The landlord intends convert the dwelling unit to a use other than residential use within a reasonable time; or
 - c. The landlord intends to undertake repairs or renovations to the dwelling unit within a reasonable time and:
 - i. The premises (i.e. dwelling unit, appurtenant structures and grounds) is currently unsafe or unfit for occupancy; or
 - ii. The dwelling unit will be unsafe or unfit for occupancy during the repairs or renovations; or
 - d. The landlord has:
 - i. Accepted an offer to purchase the dwelling unit separately from any other dwelling unit; and
 - ii. The buyer is a person who intends in good faith to occupy the dwelling unit as the person’s primary residence; and
 - iii. Within 120 days after accepting the offer to purchase, the landlord provides
 1. written notice of termination; and
 2. written evidence of the offer to purchase the dwelling unit; or
 - e. The landlord intends:

- i. For the landlord or a member of the landlord's immediate family to occupy the dwelling unit as a primary residence; and
- ii. The landlord does not own a comparable unit in the same building that is available for occupancy at the same time that the tenant receives notice to terminate the tenancy.
- iii. For this exception, "landlord's immediate family" has the same meaning as above.

A "qualifying landlord" who is terminating a fixed term tenancy must:

1. Specify in the termination notice the reason for the termination and supporting facts allowing termination;
2. State that the rental agreement will terminate on a specific date at least 90 days later; and
3. Pay the tenant an amount equal to one month's periodic rent when the termination notice is issued UNLESS the landlord has an ownership interest (i.e. sole owner or co-owner) in three or fewer dwelling units anywhere (not just Oregon).

A landlord can prevent a fixed term tenancy from becoming a month-to-month tenancy if

1. The landlord issues written notice at least 90 days before the end date for the fixed term or 90 days before the termination date in the notice, whichever is later, and
2. The tenant has committed three or more violations of the rental agreement within the preceding 12-month period; and
3. The landlord has given the tenant a written warning notice at the time of each violation.

Each written warning notice must:

1. Specify the violation;
2. State that the landlord may terminate the tenancy at the end of the fixed term if there are three violations within a 12-month period before the end of the fixed term; and
3. States that correcting the third or subsequent violation is not a defense to eviction.

The 90-day notice of termination must:

1. State that the rental agreement will terminate upon the ending date for the fixed term or upon a designated date at least 90 days after delivery of the notice, whichever is later;
2. Specify the reason for the termination and supporting facts; and
3. Be delivered to the tenant concurrent with or after the third (or final) written warning notice.

For a landlord who resides in the same building or on the same premises as the tenant, and the building or the property has one or two dwelling units, the landlord may terminate a fixed term tenancy **during the tenancy**:

1. For cause and with notice as described in ORS 86.782 (6)(c), 90.380 (5), 90.392, 90.394, 90.396, 90.398, 90.405, 90.440 or 90.445; or
2. Without cause by giving the tenant at least 30 day written notice (at least 30 days before the end date for the fixed term or 30 days before prior to the termination date in the notice, whichever is later).

RENT INCREASE LIMITATIONS

During any 12-month rolling period, most landlords may not increase the rent more than 7% plus the consumer price index* (CPI) above the existing rent.

CPI is determined by the Bureau of Labor Statistics of the United States Department of Labor. The Oregon Department of Administration Services will publish the maximum annual rent increase.

A landlord is not subject to this limitation on rent increases if:

1. The first certificate of occupancy for the dwelling unit was issued less than 15 years before the rent increase notice; or
2. The landlord is providing reduced rent to the tenant as part of a federal, state or local program or subsidy.

A rent increase notice must specify:

1. The amount of the rent increase;
2. The amount of the new rent;
3. The date on which the increase becomes effective; and
4. If the increase is more than 7% + CPI, including the facts supporting why landlord is not subject to the rent increase limitation.

A landlord who terminates a tenancy with a 30-day notice without cause during the first year of a tenancy, under ORS 90.427 (3) for month-to-month tenancy or ORS 90.427 (4) for fixed term tenancy, may not increase rent for the next tenancy by more than 7% + CPI above the previous rent.

A landlord that increases rent in violation of SB 608 is liable to the tenant for three months' rent plus actual damages suffered by the tenant.

MISCELLANEOUS

Penalties for Violation

If a landlord terminates a tenancy in violation the new provisions of SB 608:

1. The tenant can recover three months' rent plus actual damages sustained as a result of the tenancy termination; and
2. The tenant has a defense to an eviction by the landlord.

A tenant has one year to file a claim against a landlord after the tenant knew, or should have known, that the landlord terminated the tenancy in violation of SB 608.

Effective Date

SB 609 includes an emergency provision that makes it effective upon passage. Accordingly, the provisions of SB 608 apply:

1. To any fixed term tenancy entered into on or after February 28, 2019;
2. To the termination of any month to month tenancy that occurs after March 30, 2019; and
3. Immediately to any rent increase notice.

Preemption of Portland's Relocation Assistance

SB 608 did not explicitly preempt Portland's Relocation Assistance in PCC 30.01.085. Moreover, PCC 30.01.085 is not incompatible with SB 608 just because it imposes greater requirements than SB 608. Although this particular issue has not yet been addressed by the Oregon Court of Appeals, the cautious approach for a landlord is to comply with PCC 30.01.085 and pay the required Relocation Assistance under Portland code, as well as provide the required information related to Portland's Relocation Assistance whenever a landlord issues a termination notice, rent increase notice or makes any relocation payment. This will ensure a landlord complies with both SB 608 and PCC 30.01.085.

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