

Testimony of Shannon R. Clark
Senate Urban Affairs and Housing Committee
January 21, 2010

Good morning members of the Committee. I appreciate the opportunity to testify before you today.

My name is Shannon Clark. I am the Secretary of the Landlord Association of Towanda, a local Realtor® with Century 21 Jackson Real Estate, a Towanda Borough Councilman, as well as a member of the Regional Housing Consortium, a board member of the YMCA of Bradford County and of Futures Community Support Services. As a Realtor®, I service the public in locating rental properties, as well as advertise and promote rental properties for landlords. I own approximately ten rental buildings throughout Bradford County.

In the past year, the rental market has changed dramatically in our area, due to the exploration of the Marcellus Shale. The supply versus the demand of rental properties has tripled the average rental price in this area. For example, a three bedroom home in 2008 would typically have a monthly rent of \$600.00; today the landlord will receive \$1,500.00 to \$2,000.00 per month for the same property. The influx of gas workers needing rental properties has driven these prices up. Many gas workers have a monthly stipend and they usually will have between 3-5 workers sharing a home. Some gas companies have a set rate ranging from \$500.00 to \$750.00 per bedroom that they will pay for a house or an apartment.

This is a large financial return for landlords, however, it is a detriment for local residents in need of rental properties. The first problem a potential tenant faces is a lack of rental properties. A year ago, a rental property could sit vacant for a few months. The landlord would typically run an ad in the local newspaper, now a landlord will contact a Realtor to promote their property to the oil and gas industry workers, or they can easily put a sign in their yard, and it usually can be rented in less than a week. The second problem that arises is that local residents simply cannot afford the increased rental prices.

The Consortium was working with the local landlords to try to accommodate and provide accessible living arrangements for the elderly and disabled residents, however with the increased rents the landlords can receive from the gas workers, most landlords have lost interest in this effort.

This issue has and will continue to affect local, low to moderate income families, as well as older adults and individuals with disabilities to obtain affordable housing and accommodations.

Thank you.