



March 31, 2021

To: Chair Sen. Kayse Jama and members of Senate Committee on Housing & Development  
Re: Support for SB 458

Dear Committee Members,

The Portland Housing Center works with first time home buyers to purchase homes in the Portland region. We have 1,800 home buyers in our pipeline. These home buyers are working on debt and credit issues and learning budgeting to become mortgage ready and buy homes. Most are modest income or middle income and many are searching for homes to purchase.

Unfortunately, there is no inventory of homes for sale in their price range. We need smaller homes of 1,000 SF built on fee simple land. For the home buyers fee simple, side-by-side housing has less cost than condos with HOA fees and the developer risk built into the pricing. It presents a chance to buy for first time home buyers. SB 458 makes it easier to subdivide land and spur development. A fee simple lot is easier to finance with a traditional mortgage than a condo which has to take into consideration the entire development occupancy.

One program we work with, sponsored by the City of Portland is the Preference Policy down payment program. It is a program for Portland residents displaced by the city's historical Urban Renewal activities. Of those 230 home buyer households, most are Black whose families were pushed out of their homes. The children and grandchildren of those families want to buy homes with the down payment grants provided by the City of Portland. The general sentiment is to purchase a property where the land is owned by the homeowner. In a subdivided property, the homeowner will own the land. And when we talk about Black wealth creation, it is the land that appreciates, and fee simple ownership provides that aspect of wealth creation.

Please support SB 458. We need small homes on their own small lots. It is the type of housing and ownership structure that will meet the demands of modest income homebuyers and give modest income families a chance to build wealth and a family history in their own home.

Best,

Peg Malloy, Executive Director  
Portland Housing Center

