



Dear Chair Dexter, Vice-Chair Helfrich, Vice-Chair Gamba, and Members of the Committee,

Thank you for the opportunity to submit testimony today in support of HB 3492. My name is Tess Freeman and I am the Homeownership Program Manager for Kôr Community Land Trust. We urge your support for the work of the Joint Task Force on Addressing Racial Disparities in Homeownership

Kor is committed to providing access to affordable, healthy homes to homebuyers in Deschutes, Crook, and Jefferson Counties who have been excluded from the opportunity to build wealth through homeownership through culturally responsive outreach and programming. Therefore, Kôr has committed to programmatic strategies that break down homeownership barriers to its priority population - Black, Indigenous, and People of Color (BIPOC) households, earning less than 80% AMI, with family housing needs.

Lack of lending opportunities for ITIN homebuyers without citizenship or social security numbers significantly limit BIPOC households' access to affordable homeownership, and the wealth building and family stability that comes with it. In Central Oregon, the Latino community is in need of ITIN lending, but no affordable housing non-profit or lender currently offers a product that allows an ITIN homebuyer to enter our program. Kor is working to change that by using 100% private funding so ITIN homebuyers have more access to loan products. However, part of this process is expanding loan products that work for ITIN homebuyers and don't subject them to high interest rates.

HB 3492 one of these proposals, aimed specifically to level the playing field in access to affordable mortgage products for individuals who do not have Social Security Numbers, but do have Individual Taxpayer Identification Numbers (ITIN)

Across the country, consumer-oriented financial institutions, such as credit unions and community banks, have been leveraging the use of the Individual Taxpayer Identification Number (ITIN) and alternative forms of identification to provide access to accounts and loans for consumers who may not traditionally access these services. While many financial institutions have been offering it successfully for decades, ITIN-specific loan products suffer from much higher interest rates, and many financial institutions are not willing to provide 100% of the financing for these loans for a variety of reasons. For this reason, many ITIN borrowers find themselves having to take out two mortgages at unfavorable rates in order to secure the financing necessary to become a homeowner. For many families, the unavailability of affordable financing options acts as a complete bar to achieving their goals of homeownership.

HB 3492 would specifically direct OHCS to launch a pilot program through which the department would cooperate with qualified lending institutions to provide 100 percent financing for residential property



purchases to persons who qualify for special purpose credit programs. OHCS would be required to offer a second mortgage loan for the purchase of residential property to participants in an amount that the qualified lending institution does not fund with the first mortgage loan. It would also establish a Special Purpose Credit Program Loan Fund in the State Treasury through which the department would make these mortgage loans in connection with the pilot program.

We urge your support for HB 3492. Thank you for your time and for your service to the state.

Tess Freeman  
Homeownership Program Manager  
Kor Community Land Trust