

February 10, 2025

TO: The Honorable Representative Marsh, Chair
FROM: Derek Fultz, Oregon resident
SUBJECT: SB 438

Chair Marsh, Vice Chairs Andersen and Breese-Iverson and members of the committee, I am writing to urge the Committee's support of SB 438. As someone in support of this bill, it's important that the committee not only acknowledges, but understands the barriers many people are facing regarding homeownership in this State. By passing SB 438, Oregon would be taking steps in helping to reduce these barriers.

As Oregonians yourselves, I'm sure you are aware of the state's housing market, but here are statistics from a 2024 study completed by Oregon's Housing and Community Services that give a better idea of how unobtainable homeownership in Oregon has become. As of 2023, the typical home in Oregon cost around \$528,000, 24% more than the U.S. average of \$425,000. This means that a single individual such as myself would have had to make an annual salary of \$140,900 to afford the average home in Oregon.

Although the increase in housing costs has slowed down post pandemic, the average price of a home in Oregon is still significantly higher than the national average with only 29% of Oregonians currently being able to afford a home in the state. Several contributing factors are to blame for this, including limited housing availability and restrictive land use laws.

By passing this bill and creating more options for the middle class to build homes, it would free up more lower income rentals from those who are making enough money but are renting lower income places to save money. In addition, If the demand for rentals goes down by allowing more middle income housing, then the price of rent would also decrease, therefore making rent more affordable for lower income individuals and families.

On a personal level, the passing of SB 438 may be my only option of owning a home in this state. With the average acre of land in Marion County now costing up to several hundred thousand dollars, individuals exploring more cost effective housing options such as manufactured or tiny homes, are priced out of the market, based on the cost of land alone. In addition, by allowing an additional dwelling to be built on land with heavy land use restrictions, I would be able to live next door to and care for my aging parents, who live on 2 acres of rural zoned farmland.

Because of the current state of Oregon's housing market and the serious lack of options presented to address this crisis, many Oregonians are faced with the reality of renting an apartment (most likely for the rest of their lives), living with family, or moving to a more affordable housing market, out of state. If this bill does not pass, hardworking individuals such as me may never achieve the dream of homeownership, a dream easily obtained by prior generations.

By passing this bill, the State would be approving legislature that has a real impact on Oregonians, cost next to nothing to implement and would result in additional tax revenue being generated for the state.

Thank you for your time and consideration,

Derek Fultz