



We build strength, stability, self-reliance and shelter.

Feb. 17, 2025

To: House Committee on Housing and Homelessness

RE: Support for HB 3507

Dear Chair Marsh, Vice-Chair Breese-Iverson, Vice-Chair Andersen and Members of the Committee:

My name is Shannon Vilhauer and I am the Executive Director of Habitat for Humanity of Oregon. On behalf of our organization and the 23 local Habitat for Humanity affiliates we serve, we urge your strong support for House Bill 3507, which provides critical technical fixes to the state's Culturally Responsive Organization (CRO) Down Payment Assistance program.

In rural, suburban and urban communities alike, members of the Habitat for Humanity network work diligently to build the homes that we sell to first-time homebuyers. Statewide, the average median income we serve is less than 50%--bringing homeownership within reach for members of the workforce who provide essential services, like serving as a nursing assistant in a retirement community, working as a grocery store clerk and providing childcare. Access to CRO down payment assistance brings the home purchase price within reach for these hardworking community members, many of whom are single heads of household. Thanks to active partnership on the part of future homebuyers, which includes completing homebuyer education, our mortgage payoff rate exceeds 98%. This initial investment in household and community stability pays dividends for decades to come.

HB 3507 will further enhance CRO Down Payment Assistance in the following ways:

- Expand eligibility to households earning up to 120 percent of the area median income.
- Raise the maximum funding cap for first-time homebuyers to \$40,000.
- Increase the maximum funding cap to \$100,000 for first-generation homebuyers.

Over the past decade, Oregon has primarily relied on the Home Ownership Assistance Program (HOAP), funded by 14 percent of the document recording fee, as the state's primary source for down payment assistance. Due to high interest rates and a decline in real estate transactions, Oregon Housing and Community Services does not plan to offer any HOAP down payment assistance in the next biennium. The \$30 million included in the Governor's Recommended Budget to support CRO Down Payment Assistance will ensure current service levels, during this time of document recording fee decline.

The technical fixes in HB 3507 will ensure that organizations, including our state's 23 local Habitat for Humanity affiliates, can partner with more Oregonians to plant roots in their communities. We urge your strong support.

Thank you for your consideration and service,

A handwritten signature in blue ink that reads "Shannon M. Vilhauer".

Shannon M. Vilhauer, Executive Director