



February 18, 2025

House Committee on Housing and Homelessness  
Oregon State Capitol  
900 Court St NE  
Salem, OR 97301

**Re: Support for HB 3507**

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

Habitat for Humanity Portland Region urges your support of HB 3507, which provides critical technical fixes to the state's Culturally Responsive Organization Down Payment Assistance Program.

Oregon's 2024 State Housing Report found that for every dollar that wages increased over the past ten years, home prices increased by \$7.10.<sup>1</sup> It was already hard for households of color, who are less likely to have generational wealth to draw upon, to access homeownership. The steep cost escalation since 2014 has driven this goal even farther out of reach.

At Habitat Portland Region, we typically receive over 300 applications for every 10-20 homes that we build. Down Payment Assistance can close the gap between what a family can afford and the cost of a market-rate home or provide deeper affordability on a below-market Community Land Trust home. Habitat Portland Region homes are sold through the Community Land Trust model (in partnership with Proud Ground) to households between 35-80% AMI. Down Payment Assistance allows us to sell more of those homes to families between 35-60% AMI – to families for whom the stability of homeownership is truly transformational.

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, using the current self-attestation method.

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

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<sup>1</sup> <https://www.oregon.gov/ohcs/about-us/Documents/state-of-the-states-housing.pdf>

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 proposed technical fixes will help ensure that organizations like Habitat Portland Region can partner with more Oregonians to plant roots in their communities.

Thank you for your consideration and service,

A handwritten signature in black ink, appearing to read 'S. Radcliffe', with a stylized, flowing script.

Sarah Radcliffe  
Director of Government Relations  
Habitat for Humanity Portland Region