

Submitter: Lois Hornberger
On Behalf Of: West Tuality Habitat for Humanity
Committee: House Committee On Housing and Homelessness
Measure, Appointment or Topic: HB3507

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:

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

One in four Oregon households find themselves cost-burdened with rents they can't afford. In many cases, their rent exceeds what a mortgage payment would be for a similarly sized house or condo. Due to a lack of adequate down payment, the stability and financial benefits of homeownership remain out of reach.

These challenges are particularly severe for first-generation homebuyers, many of whom are Black, Indigenous, Latinx, and people of color. Rural Oregon also benefit greatly from access to down payment assistance. Investing \$30 million in down payment assistance for responsive organizations will open the door to homeownership for first-time and first-generation homebuyers, helping them plant roots in their communities. West Tuality Habitat for Humanity is now in the process of interviewing families for 19 new homes to be built in the next two years. Down payment assistance is crucial to these families in our community

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 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 [Organization Name] can partner with more Oregonians to plant roots in their communities.

Thank you for your consideration and service,

Lois Hornberger, President
Board of Directors
West Tuality Habitat for Humanity