

March 12, 2025

**Oregon House of Representatives
Committee on Housing and Homelessness
By Electronic Submission
Re: Certa Building Solutions Opposes HB 3746**

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

My name is Justin Barnhart, and I am the Director of Assessment and Rehabilitation at Certa Building Solutions. Our company specializes in evaluating existing buildings, designing solutions for repair, and overseeing construction projects that restore safety, ensure durability, and enhance energy efficiency. Founded in Oregon, we have offices in Oregon, Florida, and Washington State, serving a broad range of clients including homeowners, homeowners associations (HOAs), developers, municipalities, and design professionals. We provide a variety of services such as building evaluations, litigation support, architectural and engineering design services, and construction oversight.

With nearly 20 years of experience as a Building Envelope Consultant, I have evaluated hundreds of construction defect claims, prepared expert witness testimony, and testified in legal matters. I have seen firsthand the consequences of poor construction practices and the devastating impact construction defects have on homeowners' lives and livelihoods. To provide some context, we oversee approximately \$20-\$30 million in building rehabilitation projects in Oregon annually as the designer of record (DOR). We also consult on \$150-\$200 million in new construction projects each year as an Owners Representative, Consultant to the Architect, or as DOR.

Under current laws, we have no concerns about complying with the statutory requirements of the State of Oregon. We know that a well-functioning building is achievable with proper understanding, planning, and execution. When it comes to new construction, the cost of implementing proper design and construction practices for building envelope systems is relatively marginal. In fact, we estimate that the cost of correcting latent construction defects, particularly those resulting from water intrusion, is 10 to 20 times greater than the cost of doing it right the first time.

Water intrusion is the most common issue we encounter in residential buildings. It leads to wood rot, decay, mold, and other damage. The root cause is almost always defective construction stemming from poor design and construction practices. I can say with certainty, based on my extensive experience, that these issues are often undetectable by homeowners, their home inspectors, or even building officials during construction. Homeowners frequently ask why issues like these weren't spotted by the city inspector or during their home inspection, and the answer is that progressive water intrusion can remain hidden for years, even from trained professionals, unless significant parts of the building are dismantled. Water damage often doesn't present as an immediate leak but instead slowly rots the structure between the siding and wall sheathing.

When building envelope defects are eventually discovered, the cost to repair them is prohibitively expensive. We estimate that, in 2025, the average cost to repair a multi-family building ranges between \$80,000 and \$100,000 per unit, depending on the extent of the damage and other factors. The cost to repair

single-family homes is even higher due to the lack of economies of scale found in multi-family properties. These repair costs place a significant emotional and financial burden on homeowners.

In Florida, a recent reduction in the statute of repose for construction defects—from 10 years to 7 years—has had a devastating effect on our clients, particularly in a region already struggling with rising insurance costs and a stagnant real estate market. Homeowners discovering latent defects 7-9 years after construction now have no recourse. In my experience, this disproportionately impacts lower-income homeowners, who often cannot afford the additional costs of professional management, legal counsel, or expert consultations to understand their rights and options within the time period that they could seek recourse.

We see a similar trend in Oregon, where lower-income communities may forgo professional consultations to save costs, only to miss the opportunity to identify building envelope issues before their right to pursue claims expires. Reducing the statute of limitations for construction defects would only exacerbate this disparity, placing more risk and liability on homeowners, especially financially vulnerable homeowners, while incentivizing builders to shift that burden onto consumers.

HB 3746 threatens to undermine essential consumer protections, making it more difficult for homeowners to hold developers accountable for construction defects. If this bill passes, it will strip vital protections and place the financial burden squarely on homeowners.

Certa Building Solutions is committed to the long-term health and stability of buildings, and we strongly oppose HB 3746. We urge the Committee to carefully consider the negative consequences this bill would have on homeowners and communities, and to reject this harmful legislation.

Thank you for your time and consideration.

Sincerely,

Justin Barnhart

Director of Assessment and Rehabilitation
Certa Building Solutions