

Submitter: Dana Terhune

On Behalf Of:

Committee: House Committee On Housing and Homelessness

Measure, Appointment or Topic: HB3746

Chair Marsh, Vice-Chairs Andersen and Breese-Iverson, and members of the House Committee on Housing and Homelessness,

Thank you for the opportunity to provide testimony in support of HB 3746. For the record, my name is Dana Terhune, I'm a REALTOR® from Tualatin, and a member of the Oregon REALTORS® Government Affairs Key Committee.

HB 3746 would reform Oregon's construction defect liability laws to help increase the production of new condominiums. Current construction defect liability laws dramatically increase the cost of insurance for developers. Because of this, condo projects are seen by developers as being too high of a risk.

As a result, we are seeing very few condo units produced in Oregon each year. According to an n, annual condominium unit production in Oregon fell by 92% between 2006 and 2023, from 4,199 units in 2006 to just 309 units in 2023.

It is well known that being a homebuyer in today's housing market is very difficult. Saving for a down payment, paying for closing costs, and the current high interest rates on mortgages all exacerbate the challenges of achieving homeownership. As condos are typically more affordable than traditional single-family homes, increasing condominium production is important strategy to support middle-income and first-time homebuyers as they strive to enter the housing market.

By reducing developer risk, HB 3746 will enable the production of more condos in Oregon, ultimately helping to address the challenge of purchasing a home for middle-income households and first-time buyers.

I ask that you please vote YES on HB 3746.

Thank you for your time and consideration of my testimony.

Sincerely,
Dana Terhune