



March 14, 2025

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

Re: HB 3746 - Condos are Vital to Meeting Our Housing Goals

League of Oregon Cities and our member cities stand in support for HB 3746, which would address construction defects in condominium developments and remove barriers to condo development in Oregon. HB 3746 strikes an appropriate balance between condo owners' consumer protections and developers' ability to expand production of this key entry-level homeownership type.

Oregon has long been behind in homeownership rates, and continues to fall behind other states. Condos are a vital, naturally occurring source of affordable homeownership, which assures long term stability for our communities. Condo defect law reform is key to ensuring that Oregon is able to build a variety of different types homes for rent and purchase. Currently, condos are underbuilt, due in large part to condo defect law, that makes condos riskier to build and buy than a traditional single family home.

As the state implements policy changes to increase housing production, it needs to ensure that every housing type remains viable to produce. If Oregon does not address condo defect liability reform, a key component of entry-level homeownership opportunities will remain underrepresented in our state's housing mix and out of reach for too many families. Additionally, condos are an important segment of the housing market for households that are downsizing, which is a growing need as our population ages.

For these reasons, League of Oregon Cities respectfully urges your support for HB 3746. We look forward to continuing to work with you and other stakeholders to make Oregon a place where homeownership is within reach for all.