



DEVELOPING THRIVING COMMUNITIES

March 27, 2025

Joint Subcommittee on Transportation and Economic Development  
900 Court Street NE  
Salem, Oregon 97301

**RE: Support for HB 5011**

Dear Co-Chair Woods, Co-Chair Gomberg and Members of the Committee:

My name is Karen Saxe and I work at DevNW, an affordable housing development and asset-building agency serving Lane, Linn, Benton, Lincoln, Marion, Polk and Clackamas Counties. Our mission is to serve low and moderate income Oregonians to increase their financial stability and build assets that support generational wealth. DevNW is in broad support of HB 5011.

DevNW is one of a network of Regional Housing Centers across the state. Regional Housing Centers cover all 36 counties and are state-designed agencies that support low and moderate income families in becoming first-time homebuyers. Our pre-purchase services demystify the homebuying process, helping clients connect with local lenders and real estate agents, plan for those unexpected homeownership expenses and avoid predatory lending practices. One-on-one counseling sessions ensure that our clients are ready to take the step to homeownership, that their financial and credit picture make them mortgage-ready and that they've assembled a team of professionals they can trust.

For over a decade, Regional Housing Centers have been funded from document recording fee receipts. However, given the sustained high interest rate market, we've seen a marked decline in those receipts due to depressed real estate transactions. Document recording fee receipts are the sole funding for Regional Housing Centers and the primary funding for downpayment assistance.

POP 090 makes a much needed one-time investment to ensure stable funding for Regional Housing Centers for the 2025-2027 biennium. We anticipate recovery in ongoing funding as interest rates cool, increasing both production and refinancing across the state.

POP 525 provides \$2.5m for the 2025-2027 biennium to continue foreclosure prevention counseling in Oregon. Since the initial response and mobilization after the Great Recession, agencies throughout Oregon have provided foreclosure prevention counseling services to any homeowner facing a crisis with their mortgage. These are HUD-certified counselors who go through extensive training, they are trusted, neutral avenues of support for homeowners, helping them assess their financial situation, their reason for default, engaging directly with their mortgage servicer and participate in the Oregon Foreclosure Avoidance program—a critically

[devNW.org](http://devNW.org)



212 Main Street  
Springfield, OR 97477

P.O. Box 790  
Corvallis, OR 97339

528 Cottage Street NE, Suite 1C  
Salem, OR 97301

421 High Street, Suite 110  
Oregon City, OR 97045



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important mediation program initiated by the Legislature over a decade ago. Throughout the years, homeowners, mortgage servicers and attorneys consistently highlight the value and impact of having foreclosure prevention counselors and we see that over 90% of homeowners who work with a foreclosure counselor through this program are able to avoid foreclosure.

We know that once someone is housed it is imperative that they maintain that housing, and with rising housing costs, many of our clients are unable to afford another housing option—and that's assuming they can find one. There are no federal or other state resources that support this work and without this funding Oregonians will lose this vital service on June 30<sup>th</sup>. The Legislature has consistently provided funding, set up as a fee-for-service model through OHCS, each biennia for foreclosure prevention counseling and we encourage inclusion of this funding.

We applaud the collaborative work of the Governor, her team and Oregon Housing and Community Services to identify critical, impactful investments throughout the housing continuum that are included in HB 5011. We also deeply appreciate the ongoing commitment from the Legislature and this Subcommittee to support the pathway to homeownership and generational wealth building. We urge your support of HB 5011.

Sincerely,

A handwritten signature in black ink, appearing to read "KSaxe", written over a light gray rectangular background.

Karen Saxe  
Director of Policy, Advocacy and Strategic Relationships