

April 6, 2025

Re: Support For HB 3746

Chair Marsh, Vice-Chairs Anderson and Breese-Iverson, and Members of the Committee:

I am writing on behalf of REACH Community Development Corporation to urge your support for HB 3746, which would help to facilitate the conversion of distressed rental homes to first time homeownership opportunities for low and moderate income buyers.

REACH CDC is one of the longest standing and most prolific nonprofit affordable housing providers in the Portland metro region. For more than 40 years, we have developed, owned and operated affordable housing to serve our community.

In some Oregon neighborhoods, we have an opportunity to open homeownership opportunities by converting aging multifamily properties to condominiums. We are seeing promising models emerge in Portland that are prioritizing making repairs to properties and selling units to existing renters. However, one of the barriers for this model is current condo defect policy. The high cost of tail insurance for condo defects adds costs to this model that will stunt affordable condo projects. It's our goal to support reducing the costs of converting apartments to affordable condo ownership for those who have been excluded from homeownership opportunities.

Sincerely,

Margaret Salazar

CEO, REACH Community Development Corporation