



February 13, 2026

House Committee on Revenue
Oregon State Capitol
900 Court St NE
Salem, OR 97301

Re: Support for HB 4136

Dear Chair Nathanson, Vice-Chairs Werner Reschke and Walters, and Members of the Committee:

On behalf of Proud Ground, I am writing in strong support of HB 4136. As a nonprofit Community Land Trust serving Oregon homebuyers, we see every day how access to affordable, sustainable homeownership transforms lives, strengthens neighborhoods, and builds long-term stability.

Homeownership remains one of the most effective pathways to financial security and intergenerational opportunity. Yet first-time and first-generation buyers face unprecedented barriers — including high home prices, elevated interest rates, limited supply, and difficulty saving for a down payment. For many of the households Proud Ground serves, assembling a down payment is the single greatest obstacle to achieving homeownership.

HB 4136 takes a thoughtful and targeted approach to addressing this challenge. By enacting narrowly defined amendments to Oregon's mortgage interest deduction and directing the resulting funds toward down payment assistance, this bill makes a strategic investment in households who will live in their homes year-round and contribute to the long-term vitality of their communities. The proposal maintains the tax benefit for primary residences while ending its application to certain second homes that are not owner-occupied full time.

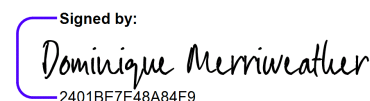
Down payment assistance is one of the most effective tools for expanding access to homeownership. Through partnerships with Oregon Housing and Community Services and other public funders, down payment assistance has helped hundreds of income-qualified households purchase homes in recent years. At Proud Ground, every buyer completes HUD-certified homebuyer education and receives individualized support to

promote long-term housing stability. Many of the households served are first-generation buyers and families who have historically faced systemic barriers to homeownership.

Despite its proven impact, down payment assistance lacks a stable and dedicated funding source. HB 4136 would provide approximately \$9–10 million annually to sustain this critical resource and ensure more Oregon families have a fair opportunity to build equity and put down roots.

We respectfully urge your support of HB 4136 as a practical, equitable investment in household stability, economic resilience, and thriving Oregon communities.

Thank you for your consideration and service,

Signed by:

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Dominique Merriweather
Proud Ground's Executive Director