



February 2, 2016

House Committee on Human Services and Housing
Oregon State Capitol
900 Court St. NE
Salem, OR 97301

Re: Written Testimony in Support of HB 4064

Dear Chair Keny-Guyer and Members of the Committee:

I am writing to request your support of HB 4064. As you know, this bill establishes the framework for a statewide mortgage leveraging program that has the capacity to meaningfully and **sustainably** increase the number of families that are able to achieve homeownership through our organization.

Benton Habitat for Humanity was founded in 1991. We are currently celebrating our 25th year of bringing people together to make decent homes achievable for everyone in our community.

Our new home program works to stabilize families, which is a critical component towards breaking the cycle of poverty. In the past 25 years, we have partnered with 37 families, which includes over 125 children. This month we are beginning the process of selecting our 38th homebuyer family.

Habitat for Humanity has developed a homeownership model that allows a family to save for their children's future by building equity in their home. Affordable monthly mortgage payments allow them to allocate income to other necessary items such as groceries, healthcare and transportation. These homes generate property tax income for our local municipalities. At the time of sale, Habitat sets the monthly mortgage payments within 30% of the homebuyer's income to ensure that the home remains affordable for the duration of the mortgage.

Currently, Benton Habitat for Humanity is servicing over 23 active mortgages. Over time this has slowly combined into what we refer to as the "Fund for Humanity." These principal payments allow us the ability to cash flow our current construction projects.

In Benton County, the "Fund for Humanity" combined with private donations, grants, and proceeds from our ReStore allow us to build two homes a year.

The need for affordable housing has been well documented by the City of Corvallis, the Cascades West Council of Governments, the Willamette Neighborhood Housing Services, and Linn-Benton Housing Authority. We want to meet the demand. Our volunteers are in place and our model is tried and true.

So what is holding us back? Access to capital for land purchases is the greatest obstacle we confront to increased production. In the private market, leveraging is an option that many affiliates utilize to increase their production, however it comes at a huge cost, sometimes half of the face value of the original mortgage.

This bill will allow us to rise up and meet the statewide need to house its citizens. Leveraging through Habitat for Humanity of Oregon will immediately increase the state's homebuilding capacity through the construction of additional Habitat homes and purchase of land for future builds.

Having this tool in place will augment our existing fundraising and ReStore proceeds, making it possible for us to serve more Oregon families at a quicker rate.

Thank you all for your consideration of HB 4064, and for your dedication to improving the communities we all share.

With appreciation,

A handwritten signature in black ink that reads "Karen Rockwell". The signature is written in a cursive, flowing style.

Karen Rockwell
Executive Director
Benton Habitat for Humanity