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Chair Alissa Keny-Guyer

House Human Services and Housing Committee

By email to: hhs.exhibits@oregonlegislature.gov

Dear Chair Keny-Guyer and members of the Human Services and Housing Committee:

Thank you for allowing me to submit this testimony in support of HB 3192. My organization, NeighborWorks Umpqua, serves several counties in Southern Oregon. We work with people through our housing counseling and individual development account program who are eager to become homeowners.

The current environment in our area is very tough for first-time home buyers. Homes that are both affordable and is good repair are scarce. We work with families for months, and even years as they save for their down payments, take classes to prepare for home ownership and become qualified for a loan. Then, after all this preparation, they have to find a home on the market that works for their situation.

Our housing counselors report to me that the small amount of down payment assistance funds we currently have available often make the difference between a deal happening and the buyer losing out on the home. For example, a small increase in interest rate before a loan locks can break a deal. Being able to add additional down payment to buy down principle can put the deal back on the table again. Sometimes, the buyer simply cannot find a home in their price range that is in good enough repair to be affordable. Again, being able to add a few thousand dollars to the deal again gives the buyer the options they need. All the buyers we work with are qualified for market prices and credit qualify. They have work for up to 3 or more years to be able to buy. Unfortunately, having to raise another few thousand dollars on their own would mean years more of saving – meanwhile, interest rates and prices continue to rise.

Often, we only have enough down payment funds to help 5 or 6 home buyers a year. We have demand for 10 times that, without even advertising the availability of funds. Many of our referrals come from realtors and lenders who know we can get their buyers to closing.

Home ownership is good for rural Oregon. I urge you, on behalf of NeighborWorks Umpqua and the communities of rural Oregon to support HB 3192.

Respectfully,

Stacey Daniel

Director of Policy and Advocacy