



March 18, 2020

Joint Special Committee on Coronavirus Response
Oregon State Legislature
900 Court St. NE
Salem, OR 97301

Dear Co-Chair Roblan, Co-Chair Holvey and Members of the Committee:

My name is Shannon Vilhauer, and I am the Executive Director of Habitat for Humanity of Oregon. This support organization works alongside Oregon's 26 local Habitat for Humanity affiliates to provide support in four key areas: training and technical assistance, advocacy, pass-through funding opportunities and disaster preparedness. During these challenging times, we have come together as a network to identify concerns that impact the homeowners we serve, and threaten the sustainability of local operations.

Habitat for Humanity helps families achieve stability by building and selling them a key asset: their home. Habitat homeowners pay down an average of \$50,000 in mortgage principal during the first 10 years of ownership, facilitating the very real intergenerational transfer of wealth. We have a proven track record of helping to close our state's minority homeownership gap. Over 10% of the households we serve have at least one member with a permanent disability. The average median income of Habitat homebuyers statewide is 41%. That's approximately \$26,000 in annual earnings for a family of four. Thanks to Habitat's diligent homebuyer selection process and thorough financial education, our mortgage repayment rate exceeds 98%. Together we have made the dream of stable and affordable homeownership a reality for 2,500 Oregon households.

Many Habitat for Humanity homeowners work in service industry jobs. Examples include hotel cleaning staff, parking attendants and other community members who will likely receive reduced hours or layoffs during the difficult months ahead. As a mission driven organization, Habitat for Humanity staff from all 26 Oregon affiliates will proactively work with the families we have served to keep them in their homes. We ask the legislature to consider providing mortgage payment support for homeowners of modest means, who receive cutbacks in wages as our communities adopt physical distancing measures to promote our collective health and well-being.

[Habitat for Humanity of Oregon](#)

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In many instances, local Habitat for Humanity affiliates self-fund mortgages. For the reasons mentioned above, we anticipate reduced mortgage revenue. In addition, as nonprofits and community funded organizations, many Habitat affiliates rely on fundraising event proceeds and ReStore sales to support operations. More than half of Oregon's affiliate fundraising events were scheduled to take place in March and April. As the result of COVID-19 related cancellations, our network anticipates over \$1 million in reduced fundraising revenue within the next 60 days. ReStore revenue funds a significant portion of local Habitat for Humanity affiliate operations. April through June is typically the most profitable time of year for these home improvement, discount outlets. Statewide, Habitat affiliates are winding down retail operations to mitigate exposure to COVID-19 for employees, donors and shoppers. Habitat for Humanity of Oregon will work alongside our network to help them weather this impending financial crisis.

We recently confirmed that business interruption/disruption insurance only applies to instances of material damage. We believe that many businesses—large and small—throughout the state will suffer from lack of eligibility for insurance payouts and wanted to bring this gap in coverage to your attention. We ask that nonprofit organizations be explicitly eligible for any coronavirus related business relief funding that the state is in a position to provide.

On behalf of the Board of Directors of Habitat for Humanity of Oregon and the 26 Habitat for Humanity affiliates we serve, thank you for your service. We appreciate that many challenging decisions lie before each of us in the coming months and commit to working together at the local, state and national levels to alleviate potential harms. We will rally with you, the homeowners and communities we serve in mutual support and care.

Thank you,



Shannon M. Vilhauer, Executive Director