



May 9, 2025

Senate Committee on Housing and Development
Oregon State Capitol
900 Court St NE
Salem, OR 97301

Re: Support for HB 3746

Dear Chair Pham, Vice-Chair Anderson, and Members of the Committee:

My name is Carly Colgan, and I am writing on behalf of Bend-Redmond Habitat for Humanity to urge your strong support for HB 3746, critically-needed condo liability reform.

Last month, the median home price in Bend hit \$832,000, making traditional homeownership unattainable for many in our community. At Bend-Redmond Habitat for Humanity, we see condominiums as a crucial, more affordable path to ownership, offering hardworking Central Oregonians a real opportunity to build equity, stability, and a future in this region.

Oregon's condo defect liability statutes of limitations and repose are longer than many of our western state peers. Due to this extensive period of liability, developers, financiers and insurers take on much higher risk to build condominiums here. This heightened risk has greatly suppressed condo production in Oregon. The proportion of owner-occupied multifamily units permitted in this state is less than half the national average.

As of April 2024, Oregon is the fifth least affordable state for housing relative to median household income. Condos are more affordable entry points to homeownership. The median sale price of a condominium in Oregon was \$341,000 in 2023, 38 percent lower than the \$552,460 price of a single-family home. As the state implements policy changes to increase housing production, it needs to ensure that every housing type remains viable to produce. If Oregon does not address condo defect liability reform, a key component of entry-level homeownership opportunities will remain underrepresented in our state's housing mix.

Bend-Redmond Habitat for Humanity is part of the Unlocking Homeownership Coalition, a group of more than 40 nonprofit and for-profit organizations working together to expand first-time homeownership access for thousands of Oregonians. Homeownership is the key to building household stability, generational wealth and strong communities, yet it remains out of reach for far too many Oregon households. We are pushing for smart, people-focused investments and policies in 2025 that will make a meaningful difference in addressing our state's housing crisis.

HB 3746 addresses Oregon's need for condo liability reform by enacting the following four key adjustments:

- Lower Risk – Reduce Oregon's statutes of limitations and repose to 6 years, to more closely align with CDL in other western states.
- Reduce Litigation – Establish a means for a developer to remedy a defect by an agreement with the claimant without going through litigation.
- Enact Informed Consent – Ensure that at least half of condo unit owners must vote in writing to proceed with litigation.
- Ensure Consumer Protection – Require special inspections for common defects and still allow claimant litigation to proceed if an agreement to remedy the defect cannot be reached with the developer.

We build strength, stability, and self-reliance through affordable homeownership

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HB 3746 strikes an appropriate balance between condo owners' consumer protections and developers' ability to expand production of this key entry-level homeownership type. We urge your strong support.

Thank you for your leadership and service,

A handwritten signature in black ink, appearing to read "CJ Colgan".

Carly Colgan
Chief Executive Officer
Bend-Redmond Habitat for Humanity

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