



March 16, 2023

Sheila Stiley, Board chair – NW Coastal Housing

Kymberly Horner, Vice-chair - Portland Community Reinvestment Inc.

Rachael Duke, Secretary - Community Partners for Affordable Housing

Kristy Rodriguez, Treasurer - Housing Authority of Malheur & Harney Counties

Trell Anderson – Northwest Housing Alternatives

David Brandt - Housing Works

Wakan Alferes - Homes for Good

Rita Grady – Polk CDC

Maria Elena Guerra - Farmworker Housing Development Corp

Nkenge Harmon Johnson – Urban League of Portland

Brad Ketch – Rockwood CDC & Community Dev. Corp. of Oregon

Erica Mills – NeighborWorks Umpqua

Shannon Vilhauer – Habitat for Humanity Oregon

Representative Maxine Dexter

Chair, House Committee on Housing and Homelessness
900 Court St NE, H-283
Salem, OR 97301

Re: Support for House Bill 3492

Chair Dexter, Vice-Chair Helfrich, Vice-Chair Gamba, and Members of the Committee,

Thank you for the opportunity to submit testimony today in support of HB 3492. My name is Kevin Cronin, and I'm the Director of Member Relations and Industry Support for Housing Oregon. Housing Oregon is a membership-based statewide association of affordable housing community development corporations (CDCs) committed to serving and supporting low-income Oregonians across the housing needs spectrum – from homeless to homeowner.

We urge your support for the work of the Joint Task Force on Addressing Racial Disparities in Homeownership

Our membership includes organizations working on creating pathways to homeownership for low income families, such as Habitat for Humanity, Proud Ground, and Kor Community Land Trust.

There continue to be large and deepening racial disparities in homeownership in the State of Oregon. The Joint Advisory Task Force on Addressing Racial Disparities in Homeownership found specifically that Black Oregonians have the lowest rates of homeownership, with 32.2% of households owning a home, compared to 65.1% of White Oregonians. Similarly, the Task Force found that an additional 63,842 households of color would need to become homeowners to eliminate the gap in homeownership rates. Out of its work between the 2022 and 2023 Legislative Sessions, the Task Force developed and adopted eleven proposals, the majority of which were supported on a bipartisan basis.

HB 3492 one of these proposals, aimed specifically to level the playing field in access to affordable mortgage products for individuals who do

not have Social Security Numbers, but do have Individual Taxpayer Identification Numbers (ITIN)

Across the country, consumer-oriented financial institutions, such as credit unions and community banks, have been leveraging the use of the Individual Taxpayer Identification Number (ITIN) and alternative forms of identification to provide access to accounts and loans for consumers who may not traditionally access these services. While many financial institutions have been offering it successfully for decades, ITIN-specific loan products suffer from much higher interest rates, and many financial institutions are not willing to provide 100% of the financing for these loans for a variety of reasons. For this reason, many ITIN borrowers find themselves having to take out two mortgages at unfavorable rates in order to secure the financing necessary to become a homeowner. For many families, the unavailability of affordable financing options acts as a complete bar to achieving their goals of homeownership.

HB 3492 would specifically direct OHCS to launch a pilot program through which the department would cooperate with qualified lending institutions to provide 100 percent financing for residential property purchases to persons who qualify for special purpose credit programs. OHCS would be required to offer a second mortgage loan for the purchase of residential property to participants in an amount that the qualified lending institution does not fund with the first mortgage loan. It would also establish a Special Purpose Credit Program Loan Fund in the State Treasury through which the department would make these mortgage loans in connection with the pilot program.

We urge your support for HB 3492. Thank you for your time and for your service to the state.

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