



Dear Chair Nathanson, Vice-Chairs Werner Reschke and Walters, and Members of the Committee:

My name is **Steve Messinetti**, and I serve as President and CEO of **Habitat for Humanity Portland Region**. Thank you for the opportunity to share testimony in support of **HB 4136**.

Since I began my role at Habitat 20 years ago, Oregon families have experienced a dramatic shift: while median income has increased roughly **30%**, the cost of housing has surged by nearly **300%**. Homeownership—once a realistic pathway to stability for working families—is now out of reach for most low- and moderate-income households. As a result, Oregon has become one of the states with the **lowest homeownership rates in the nation**.

Quite simply, the math is no longer working. Work is no longer working.

Today, most working renters cannot afford housing *and* meet their basic needs. This affordability crisis is driving record numbers of evictions, destabilizing families, increasing school mobility rates that affect learning for all children, and contributing to negative physical and mental health outcomes statewide.

We also know the solution works. When families have the opportunity to purchase a home with an affordable mortgage, children perform better in school, parents excel at work, and the entire household is healthier and more financially secure. Homeownership strengthens local economies: businesses retain employees, and families build long-term stability and eventually have more disposable income to spend in their communities.

At a moment when Oregon faces a severe housing affordability crisis, we must rethink our public priorities. Rather than subsidizing tax breaks for vacation homes that sit vacant much of the year, we should invest in helping first-time homebuyers build stability and generational wealth.

That is why I am writing in **strong support of HB 4136**. This bill makes a meaningful and targeted investment in Oregonians by expanding access to homeownership for first-time and first-generation buyers across the state.

HB 4136 accomplishes this by making narrowly tailored changes to Oregon's mortgage interest deduction and dedicating the resulting revenue to down payment assistance. Importantly, it **preserves the deduction for primary residences** while ending its application to "single-use" or second homes that are not occupied year-round.

Down payment assistance is one of the most effective, well-documented strategies for helping families overcome barriers to homeownership. In the last biennium alone, Oregon Housing and Community Services partnered with nonprofit homeownership providers—including Habitat—to distribute more than **\$22 million** in down payment assistance, helping over **600** first-time and first-generation buyers purchase homes. Every participant completed HUD-certified homebuyer education and counseling,



ensuring long-term success. Many of these households were families of color and first-generation buyers who have historically faced systemic obstacles to homeownership.

Despite these strong outcomes, Oregon currently lacks a stable and dedicated funding source for down payment assistance. HB 4136 helps close this gap by directing approximately **\$9–10 million per year** toward this critical investment in household and community stability.

This legislation represents a thoughtful realignment of public resources—supporting the Oregonians who will live in their homes year-round, contribute to local economies, and plant deep roots in communities across the state. HB 4136 is a practical, high-impact investment in economic resilience, family stability, and Oregon's long-term prosperity.

I respectfully urge your support.

Thank you for your consideration and for your service to Oregon.

Steve Messinetti

President & CEO

Habitat for Humanity Portland Region