



Rachael Duke, Chair -  
Community Partners  
for Affordable Housing

Kymberly Horner, Vice  
Chair - Portland  
Community  
Reinvestment  
Initiatives

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

Shannon Vilhauer,  
Secretary - Habitat for  
Humanity Oregon

Trell Anderson -  
Northwest Housing  
Alternatives

Jessica Blakely -  
Salem Housing  
Authority

Julie Delgado, The  
Urban League of  
Portland

Aubre Dickson -  
Community Housing  
Fund

Rita Grady - Polk CDC

Maria Elena Guerra -  
Farmworker Housing  
Development Corp

Jackie Keogh -  
RootedHomes

Erica Ledesma -  
Coalición Fortaleza

Erica Mills -  
NeighborWorks  
Umpqua

Margaret Salazar -  
Reach CDC

Sheila Stiley - NW  
Coastal Housing

March 11, 2025

Chair Marsh, Vice-Chair Breese-Iverson, Vice-Chair Andersen, and Members of the Committee,

For the record, my name is Kevin Cronin, and I serve as the Policy and Advocacy Director at Housing Oregon. Housing Oregon represents affordable housing developers, affordable homeownership providers, and homeless service organizations across the state. I am submitting this testimony in strong support of HB 3746, which is a critically needed reform to Oregon's Condo Defect Liability (CDL) statutes.

Oregonians need more affordable pathways to homeownership, and condominiums can play a major role in filling this gap. However, Oregon's current condo defect liability laws discourage development, making it one of the most challenging states in the country to build condos.

- Oregon has some of the longest condo defect liability periods in the West, increasing risk for developers, insurers, and lenders.
- As a result, condo production has plummeted—falling 92% between 2006 and 2023. In 2006, 4,199 condo units were built statewide, but by 2023, that number had dropped to just 309 units per year on average.
- Condos are a key entry point to homeownership—the median condo price in Oregon is \$341,000, which is 38% lower than the \$552,460 median price of a single-family home.

If Oregon does not address CDL reform, this essential homeownership option will remain out of reach for many middle-income families and first-time homebuyers.

At Housing Oregon, we believe in promoting diverse, attainable homeownership options. Condos provide unique advantages for affordable homeownership:

- Long-term sustainability: Condo associations save for major repairs—such as roofs and shared infrastructure—meaning the state does not have to step in with preservation funding down the line.
- Lower cost ownership: Condos allow families to own property at a lower price point, offering a real pathway to building wealth and housing stability.
- Self-governance: Condo owners manage their own housing communities, reducing the need for ongoing subsidies and interventions.

Despite these benefits, Oregon's outdated condo liability laws discourage developers from building condos. If we want to increase homeownership opportunities, we must reduce unnecessary legal barriers to their construction.

HB 3746 strikes a fair balance between consumer protections and the need for increased condo development. The bill makes four key reforms:

1. Lowering Developer Risk – Reduces statutes of limitations and repose to six years, aligning Oregon with other western states.
2. Reducing Litigation – Allows developers to remedy defects through agreements, avoiding costly lawsuits.
3. Ensuring Informed Consent – Requires at least 50% of condo unit owners to vote in writing before filing a lawsuit.
4. Maintaining Consumer Protections – Mandates special inspections for common defects, ensuring safety while reducing frivolous claims.

This common-sense approach removes barriers to condo construction without sacrificing quality or homeowner rights.

Oregon is facing an affordable homeownership crisis. Condominiums are a vital part of the solution, but outdated liability laws have virtually eliminated their production.

For these reasons, I urge your strong support of HB 3746. Thank you for your time and leadership on this issue.

Sincerely,

Kevin Cronin

Policy & Advocacy Director

Housing Oregon