



Creating new opportunities for affordable homeownership through a revolving loan fund

Our communities are stronger and more vibrant when we meet our neighbors' basic needs for a stable, affordable place to call home. Homeownership is a powerful tool to help families achieve lasting stability in housing and remain in their communities. Homeownership provides an opportunity for families and individuals to build assets, and it can help address racial disparities in wealth, creating more equitable communities and preventing displacement.

Many Oregonians dream of the benefits of homeownership—today, this dream is increasingly out of reach due to record-high home prices. Even potential homebuyers with moderate incomes who are ready to purchase a home are priced out of many markets: there simply are not enough homes for sale that they can afford. Meanwhile, our already overtaxed rental market is even more burdened as qualified homebuyers must continue to rent.

We can take action to bring this dream within reach for more Oregonians by investing in new affordable homeownership units. Increasing the supply of affordable homes is a cornerstone of the solution to our state's housing needs, and homeownership is a critical part of the housing continuum.

HB 2570A creates a \$25 million revolving loan fund to serve Oregonians with low incomes by developing new affordable homes for sale. The resources would be directed to Oregon Housing and Community Services, who would then offer grants to non-profit organizations across Oregon.

The revolving loan fund is an innovative proposal designed to work with various development models used by nonprofit developers around the state. It will serve as access to capital for a non-profit organization to either:

- Serve families with a revolving loan model. The non-profit organization may purchase or leverage loans made to qualifying families, and their loan repayments will pay back into the fund over time to benefit additional first-time homebuyers.
- Serve families with a capital construction revolving loan fund model. The non-profit organization will build a single family home and upon sale, will pay back into the fund to benefit additional first-time homebuyers.

Meeting the full spectrum of Oregon's housing needs includes increasing access to affordable homeownership. Creating these opportunities will require new, creative models that build on the successes of affordable homeownership providers to help more families achieve their goals of homeownership. As Oregon faces dire housing needs, we can advance homeownership as a means to provide long-term stability for families and communities throughout Oregon.