

Thank you, Chairs Rotundo and Gattine, and members of the Committee. My name is Chris Marshall, and I'm a developer with GreenMars Real Estate in Portland. I'm here to testify in support of the housing initiatives in LD 2212, particularly the transfers in Language Parts T-15 and T-16, which allocate \$55 million to the Maine State Housing Authority's Housing Authority - State program and \$14 million to the Emergency Housing Relief Fund.

As you may recall, we've successfully utilized MaineHousing's Affordable Homeownership Program (AHOP) before, most notably in constructing Wilbur's Woods in Brunswick. This 21-unit development includes 20 homes funded in part by AHOP, restricted to households at or below 120% of area median income—about \$105,000 annually. Today, 20 income-qualified families are living there or moving in soon, enjoying stable, affordable homeownership in a community where the median home price exceeds \$600,000.

Without the AHOP subsidy, Wilbur's Woods simply wouldn't have happened. Even with density bonuses from Brunswick, no financial model penciled out for homeownership at that site. The subsidy not only bridged the gap to make the numbers work but also provided essential capital, reducing our reliance on outside investors and lowering the overall cost of capital. This efficiency allowed us to deliver more units with less public dollars compared to deeper affordability programs.

This brings me to the broader affordability crisis gripping Maine. What started as a challenge for low-income families now affects nearly everyone, including middle-income earners. Consider a total cost of ownership analysis: In 2019, Maine's median home price was around \$225,000. By 2025, it climbed to about \$400,000—a 78% jump. Mortgage rates rose from an average of 4% to 6.5%, inflating monthly payments by over 50% for the same loan amount. Property taxes have increased 27% over that period, while construction material costs, per the Producer Price Index, surged 40-50%, and average hourly wages for maintenance workers in Maine rose from roughly \$25 to \$34—driving up repair costs.

Combined, these factors have approximately tripled the total cost of ownership. This isn't sustainable. More alarmingly, a family's future wealth is now better predicted by when they bought their home than by education, work ethic, or income.

This is a lingering but ultimately temporary issue, and while we anticipate economic conditions to improve over time, there is an urgent need to help families now. By funding middle-income housing pilots and continuing successful programs like AHOP through these transfers, we can efficiently add supply where it's scarce—targeting 120-150% AMI earners who fall between low-income subsidies and luxury markets. This will help renters save for down payments, help people afford homeownership, attract workers to Maine businesses, and restore faith in the American Dream: owning a home, building equity, and improving lives across generations.

I urge you to support these provisions. Thank you for your time—I welcome questions.