



May 7, 2026

The Honorable Louis DiPalma, Chairperson
Senate Finance Committee
82 Smith Street
Providence, Rhode Island 02903

RE: S2371- REVOLVING FUND TO ASSIST FIRST-TIME HOMEBUYERS AND VETERANS

Dear Chairperson and Committee Members:

On behalf of the Rhode Island Association of REALTORS® (RIAR), we respectfully submit this testimony in support of S2371. RIAR represents more than 5,900 licensed real estate professionals who list, sell, lease, manage, and appraise residential and commercial real estate to make Rhode Island a better place to call home.

S2371 establishes a dedicated revolving fund to assist first-time homebuyers and eligible veterans with down payment costs. The program would be administered by Rhode Island Housing and funded through an initial \$30 million appropriation, along with additional public and private contributions. Qualified applicants may receive grants of up to \$40,000 through a dollar-for-dollar match, paired with access to reduced-interest mortgage financing. The bill also sets eligibility criteria, including credit standards, homebuyer education requirements, and owner-occupancy obligations, to promote responsible and sustainable homeownership.

Expands Access to Homeownership Opportunities

S2371 meaningfully lowers one of the most significant barriers to homeownership: the upfront cost of a down payment.

- Bridges the affordability gap by providing substantial financial assistance to qualified buyers.
- Opens the market to first-time purchasers who may otherwise remain renters despite financial readiness.
- Supports veterans by recognizing their service with targeted homeownership assistance.

By reducing entry costs, the bill enables more Rhode Islanders to transition from renting to owning.

Strengthens Housing Stability and Wealth Building

The revolving fund model maximizes the long-term impact of state resources.

- Recycles repaid funds to assist future homebuyers without requiring continuous large appropriations.
- Attracts supplemental funding from private and public sources to expand program reach.
- Extends program longevity by creating a self-sustaining financing mechanism.

This approach allows the state to support multiple generations of buyers with a single investment.

Aligns Incentives with Responsible Lending Practices

The legislation incorporates safeguards that balance accessibility with fiscal responsibility.

- Establishes eligibility criteria such as minimum credit scores and education requirements.
- Requires primary residence occupancy to prevent misuse of funds.
- Pairs grants with mortgage financing through Rhode Island Housing to ensure oversight.

These guardrails promote prudent lending while still expanding access.

Supports Rhode Island's Housing Market and Economy

Increasing homeownership has positive ripple effects across the broader economy.

- Stimulates real estate activity by enabling more qualified buyers to enter the market.
- Drives local economic growth through home purchases, renovations, and related spending.
- Enhances workforce retention by making it easier for residents to remain in Rhode Island.

A stronger housing market benefits both individuals and communities statewide.

Targets Assistance Where It Is Most Needed

S2371 directs resources to populations facing the greatest barriers to entry.

- Prioritizes first-time buyers who lack accumulated housing equity.
- Recognizes veterans' needs through dedicated eligibility and benefits.
- Caps eligible purchase prices to focus assistance on moderate-priced homes.

This targeted approach ensures funds are used efficiently and equitably.

Conclusion

S2371 represents a thoughtful and impactful investment in Rhode Island's future homeowners. By reducing upfront costs, promoting responsible ownership, and leveraging a sustainable funding model, the legislation creates a practical pathway to homeownership for first-time buyers and veterans alike.

The Rhode Island Association of REALTORS® respectfully urges the Committee to support S2371.

Thank you for your time and consideration.

Respectfully submitted,



Trevor J. Chasse
Government Affairs Director
Rhode Island Association of REALTORS®