



February 12, 2024

The Honorable Marc Korman, Chair
House Environment and Transportation Committee
House Office Building, Room 251
6 Bladen St., Annapolis, MD 21401

Oppose: HB 751 – Sales of Real Property – Offers to Purchase and Transfer Tax

Dear, Chair Korman and Committee Members:

On behalf of the NAIOP Maryland Chapters representing 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate I am writing to oppose HB 751.

The rationale for NAIOP's position is based on the following:

- HB 751 would impose a transfer tax rate of 15% on purchases of single-family homes by entities that have an ownership interest in residential real estate assessed at over \$12 million.
- While the intent of the bill may be to prevent single-family homes going into large scale rental programs, the bill does not specify the purpose of the purchases that would trigger the 15% transfer tax.
- This poses a problem because it would significantly increase the transfer tax paid by real estate enterprises that are purchasing undervalued or vacant single-family homes as part of redevelopment activities.

For these reasons, NAIOP respectfully requests your favorable report on HB 751.

Sincerely,

A handwritten signature in blue ink that reads "T.M. Ballentine".

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Environment and Transportation Committee Members
Nick Manis – Manis, Canning Assoc.