



House Bill 213 – Commercial Law - Mortgage Loans - Verification of Ability to Repay

Position: Support

Maryland REALTORS® supports HB 213, to conform Maryland’s ability to repay regulations to the federal standards for community development financial institutions (CFDIs). CFDIs are a critical link for lower-income and underserved Maryland residents to achieve homeownership in a difficult economic environment.

In recent years, the housing market has experienced both a doubling of mortgage interest rates and a 31% increase in housing prices. This “double trouble” of the housing market has reduced consumers’ buying power by nearly \$200,000 since the pandemic began. It has also exacerbated the racial and ethnic disparities in homeownership rates, which are now back to levels not seen since the passage of the Fair Housing Act.

In addition, inflationary pressures and high rents have made it difficult for Marylanders to save for their eventual home purchase. A January 2024 poll conducted by American Strategies showed that 86% say saving for a down-payment and closing costs is a huge or medium obstacle to their home purchase, and an astounding 99% of Maryland voters aged 18-34 say that it is harder for them to purchase a home than for previous generations.

Especially now, it is critical that all Marylanders have broad access to mortgage lending products that meet their needs and allow them to achieve homeownership. For these reasons, Maryland REALTORS® asks for your support for HB 213.

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