



**Testimony offered on behalf of:  
MARYLAND MORTGAGE BANKERS & BROKERS ASSOCIATION, INC.**

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**IN OPPOSITION TO:**

**SB 822 – Housing and Community Development-Down Payment and Settlement Expense Loan Program-Homebuyer Education Requirements**

**The Maryland Mortgage Bankers and Brokers Association, Inc. (“MMBBA”) Opposes, SB 822 offered by Sen. McCRAY**

Members of the MMBBA act as lending partners with the Department of Housing and Community Development to provide eligible Maryland Homebuyers the opportunity to achieve the dream of homeownership by providing down payment and closing cost assistance. Without such assistance homeownership would not be possible. Participating in Homebuyer education has always been the cornerstone of successful and sustainable homeownership and should continue as it successfully operates presently. It must be completed PRIOR to closing and can be accomplished online.

If enacted, SB 822 will require Homebuyer education to be completed PRIOR to a sales contract being executed and will further require a 1 hour in person or phone session. Further limitation would require the education only thru HUD approved agencies. Currently Fannie Mae and Freddie Mac approved counseling is acceptable and can accommodate more potential homebuyers in a timely manner.

With these changes in place, barriers to access to the program will limit the number of buyers able to participate as the capacity to handle the demand for one on one sessions is neither realistic nor practical. And to require completion PRIOR to entering a sales contract in any Real Estate market, let alone a very active one will discourage buyer participation. For many, this is the only route to Homeownership.

For the reasons stated, The Maryland Mortgage Bankers and Brokers Association oppose the legislation and urges the Committee to render an unfavorable finding of the bill.