



Odette Ramos

Baltimore City Councilwoman

District 14

(410) 396 - 4814

odette.ramos@baltimorecity.gov

100 N. Holliday Street, Room 506

Baltimore MD 21202

Testimony

HB301 – Real Estate Brokers – Brokerage Services – Real Estate Wholesaling

February 7, 2023

FAVORABLE

Honorable Chair Wilson and Distinguished Members of the Economic Matters Committee:

I am writing to urge your support for **HB301 – Real Estate Brokers – Brokerage Services – Real Estate Wholesaling**. Thanks so much to Delegate Rosenberg for introducing this bill.

HB301 adds that engaging in real estate transactions or real estate contracts requires the person to be a licensed Real Estate agent.

Wholesaling is a term of art used to describe the practice of convincing someone to sell their home and assign the contract to the investor, the investor turning around and asking a much higher price for the home, then taking in the difference between what they offered the homeowner and what they get for it. While the wholesaler does all of the work – marketing, making the home look good for selling, repairs, etc, the homeowner still does not get full value for the home and loses equity in the deal.

This process is occurring across the city and state. The “we buy houses” signs signal these wholesalers are ready to purchase your home, and often harass the owners to sell their homes through letters, texts, and phone calls. In addition, recent articles in both the *Baltimore Sun* and *Baltimore Banner* outline this practice as one used by foreign investors coming to purchase homes and holding or defrauding their investors leaving Baltimore with the abandoned home. Most often, the wholesalers are not licensed real estate agents, and so people who are taken advantage of have no recourse.

HB301 attempts to curb this practice by ensuring that anyone who does any real estate transactions or real estate contracts whether on behalf of someone or themselves, must be a licensed realtor which means the person has to follow proper real estate practices. Such wholesaling is likely to diminish when this bill passes.

Please vote a favorable report on this bill. Our residents in our city and state are counting on you.

Please do not hesitate to contact me should you have any questions. I can be reached on 410-396-4814 or via email at odette.ramos@baltimorecity.gov.

Respectfully Submitted,

Odette Ramos
Baltimore City Councilwoman, District 14