

HB 1121 - FH -Buyer ID - UNF - Realtors.pdf

Uploaded by: Lisa May

Position: UNF



House Bill 1121 – Real Property - Residential Contracts of Sale - Buyer Privacy

Position: Oppose

While Maryland REALTORS® strongly supports efforts to reduce discrimination in the home buying and selling process, we believe that HB 1121 creates unintended issues which greatly complicate completion of real estate transactions.

Under HB 1121, real estate agents are required to remove the name of an individual buyer within an offer to purchase residential real estate. Once a seller has reviewed the contract proposal and wants to accept it, the buyer's agent could then identify the buyer to the seller.

This legislation does not require a buyer's identity to be shielded on the disclosure and disclaimer form, nor on any mortgage pre-approval letter. As a result, either the buyer's name would still appear on these documents when the seller reviews the offer to purchase, or, these documents would not be disclosed to the seller until after acceptance, making it difficult for the seller to fully evaluate the strength of the offer.

Most importantly, this bill creates an "unrepresented buyer agreement" which is executed "through the buyer's real estate broker." This is not an agreement that can be executed under current Maryland real estate brokerage law.

Despite the above, Maryland REALTORS® is committed to working with the sponsor on a workable solution to this issue. We have proactively added a fair housing disclosure statement to our Residential Brokerage Agreements, whereby both buyers and sellers expressly agree to abide by all fair housing laws, including during the evaluation of contract offers.

REALTORS® seek every opportunity to address discrimination in the homebuying process but, because of its unintended consequences, we must request an unfavorable report on HB 1121.

**For more information contact lisa.may@mdrealtor.org or
christa.mcgee@mdrealtor.org**

MBIA Letter of Opposition HB 1121.pdf

Uploaded by: Lori Graf

Position: UNF

March 3, 2023

The Honorable Kumar P. Barve
Environment & Transportation Committee
House Office Building, Room 251,
6 Bladen St., Annapolis, MD, 21401

RE: Letter of Opposition HB1121 Real Property – Residential Contracts of Sale – Buyer Privacy.

Dear Chairman Barve:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB1121 Real Property – Residential Contracts of Sale – Buyer Privacy**. MBIA **opposes** the Act in its current version.

This bill intends to eliminate bias, intentional or otherwise, in housing decisions concerning the sale of single-family residential real property to an individual buyer by removing the name of the buyer from contract of sale prior to acceptance of the contract by the seller. MBIA respectfully opposes this measure. While we appreciate the intent of the bill is to prevent discrimination, we believe that this will have the opposite effect. In cases that there are multiple offers on a property, a buyer is more likely to select a buyer that can be identified. We support legislation that prevents discrimination but have serious concerns about this method.

For these reasons, MBIA respectfully requests the Committee give this measure an **unfavorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment & Transportation Committee

HB 1121 RPSC Oppose [3.3.23].pdf

Uploaded by: William O'Connell

Position: UNF



Real Property Section

To: Environment and Transportation Committee

From: Legislative Committee of the Real Property Section Counsel

Date: March 3, 2023 [Hearing Date March 7, 2023]

Subject: **HB 1121** – Real Property - Residential Contract of Sale - Buyer Privacy

Position: **Oppose**

The Real Property Section Counsel of the Maryland State Bar Association (MSBA) **opposes House Bill 1121** – Real Property - Residential Contract of Sale - Buyer Privacy. The bill seeks authorize a buyer of residential real estate to remain anonymous. This is an exceptionally bad idea. It will cause nothing but confusion in connection with the sale of residential real property. Basic contract law requires execution of the agreement by the party to be charged. If this bill were to become law, that would no longer happen in Maryland.

The bill seeks to make the seller the person making the offer that can be accepted or rejected upon presentment to the buyer by the seller. The seller cannot accept an offer until made by the buyer. By not executing the contract by the time the contract is presented to the seller, the buyer has committed to nothing. Once the seller signs the contract, the buyer is free to accept or reject the seller's offer.

A buyer's broker agreement has nothing to do with the contractual relationship between the buyer and the seller, and thus, is meaningless in this context.

For these reasons, the Real Property Section Counsel of the MSBA **opposes HB 1121** and asks for an **unfavorable report**. Thank you for your consideration.