

HB486 SB125 WHY THE DISCLOSURE CANNOT BE A BUYER NOTICE AS OPPOSED TO A SEPARATE ADDENDUM

Jen Peppe Hahn: Position for HB486 and SB25 favorable as written

The realtors want this disclosure to be a Buyer Notice in the contract. On page 1 of the standard Maryland Realtors Notice to Buyer form, the same exemptions are listed as they appear on p. 1 of the MD Realtor's 10-702 Disclosure disclaimer form: new builds, property transfers, sales by lenders, etc... We do not agree with any exemptions to this legislation that it applies to. As written, this bill closes all loopholes and mandates this disclosure in **all contracts of any residential sale, no exemptions.**

In the MD Realtors contract the seller may simply choose to disclaim, not disclose. This bill takes away the right to disclaim regarding this issue.

Our bill allows a buyer a 5 day Right of Rescission based on the information provided, allowing the buyer time to assess the information. In the Buyer Notice, where the realtors want this disclosure, (p. 2) clearly states that the buyer has no right to rescind the contract based on the information contained in the disclosure or disclaimer statement. This gives the buyer no recourse once receiving this information.

All residential sales do not use the standard MD Realtor's contract. There are builder sales, developer sales, for sale by owners, etc. **This bill legislates this disclosure regardless of who is selling it or which contract is used.**

In other words, our bill would create legislation with no exemptions: the disclosure of proximity to an NPL site would be legally required in "ALL," OR "ANY residential sales regardless of the contract used, type of residential sale, or who was selling it.

In addition, the bill, as written, provides prescriptive language of what the disclosure addendum must say so that there will be no interpretation of how this information is presented to any buyer thus setting uniform protocol from this point forward.

The intent of this bill does not fit established protocol. If it did, we would not be here today.

We all either agree that .5 mi proximity to an NPL site is a Material Fact, defined by something that may make a buyer make a different decision, or we don't. And we all know that it is illegal to not disclose Material Facts. Current protocol is riddled with loopholes depending on type of sale, seller and contract.

If the contamination were onsite, there would be no question that it had to be disclosed. The quality and quantity of NPL contamination does not need to be on site to pose risk, vapor intrusion is just one example of this.

A general addition as a Buyer Notice, mandated to only the standard MD Real Estate Contract, about the "**possibility**" of Superfund Sites nearby, is not in the true spirit of disclosure or intent of this bill.