



House Bill 1196 – Real Property – Contracts of Sale – Title Report Requirement

Position: Favorable with Amendments

The Maryland REALTORS® support SB 962 with the sponsor amendments which will create a Task Force to Study Property Fraud Prevention.

In 2022, the FBI estimated that title fraud resulted in the loss of nearly \$400 million dollars. Title fraud can take different forms. Sometimes scammers forge a deed and then transfer their fraudulent ownership in the home to an unsuspecting buyer or they will take a home equity loan out on the property. Other times, scammers will steal an owner's identity, find a vacant home or land, and then transfer the property to an unknowing buyer.

Unfortunately, Maryland homebuyers and property owners have been victims of these scammers. Just in the last few months, there has been an unimproved parcel of land sold in Carroll County and a \$900,000 home sold on the Eastern Shore by people who did not own the land and walked away with the proceeds of sale from the unsuspecting purchasers.

As amended, SB 962 will survey best practices, laws and efforts across the country to combat this crime and make a report to the Governor and General Assembly. These crimes can be hard to identify and will take the participation of the real estate industry, the Clerks of the Court, and law enforcement agencies to address it. The REALTORS® encourage a favorable report.

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