



Senate Bill 518– Task Force on Property Appraisal and Valuation Equity - Alterations

Position: Support

Maryland REALTORS® takes all allegations of appraisal discrimination seriously. As a result, we offer our support for Senate Bill 518, which extends the termination date for the Task Force on Property Appraisal and Valuation Equity.

In recent years there has been an increase in reports of discrimination in residential appraisals, particularly as it relates to the choice of comparable sales based on the race of the homeowner or seller. Freddie Mac released a study in Fall 2021 based on their own appraisal data that suggests a property is more likely to receive an appraisal lower than the contract price if it is in a minority tract.

Despite explicit Fair Housing and Appraisal standards, these anecdotes and initial study results have created a sense of distrust among the public in the validity of some residential appraisals.

While there will always be differences in value between properties due to many factors, it is critical that those factors do not relate to the race or other personal characteristics of the homeowners or residents of a community. Devaluing property due to a person's protected class status is always wrong. It is important that affected homeowners, REALTORS® and others know how to identify this and what resources are available to address inconsistencies.

We appreciate the sponsor's inclusion of REALTORS® and other industry representatives in this Task Force and fully support the goal of reducing any bias which may occur in the housing market. To continue the important work of the Task Force REALTORS® respectfully ask for your support of Senate Bill 518.

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