



Testimony offered on behalf of:  
**MARYLAND MORTGAGE BANKERS & BROKERS ASSOCIATION, INC.**

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**IN OPPOSITION TO:**

SB0962 – Real Property – Contracts of Sale – Title Report Requirement

**Judicial Proceedings Committee**

Hearing – 03/07/2024 at 1:00PM

**The Maryland Mortgage Bankers and Brokers Association, Inc. (“MMBBA”) OPPOSES SENATE BILL 0962.**

SB0962 would allow buyers to back out of purchase transactions up to five (5) days **AFTER CLOSING** on residential real estate transactions. This would be an unmitigated disaster for residential mortgage lending and would turn Maryland into a pariah State among mortgage lenders.

Unwinding a purchase transaction is a logistical nightmare. Five days after closing, the buyer has moved into the home and the seller has not only received the proceeds from the sale but may have already used those proceeds in another real estate purchase.

Imagine a situation where a buyer invokes this clause. The seller would undoubtedly seek legal counsel, and the transaction would be in a state of limbo until resolved. The buyer would not feel obligated to make mortgage payments, and the mortgage lender, after a time, would begin foreclosure proceedings, adding further to the problems.

This is just one surface-level example of a very real and very serious problem that this legislation would cause.

For these reasons, The MMBBA urges an **UNFAVORABLE REPORT on Senate Bill 0962.**

Respectfully submitted,

*Brendan McKay*

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