



House Bill 13 – 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 13 would complicate the completion of real estate transactions and result in increased liability for real estate professionals.

Under HB 13, 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 or proof of earnest money deposit. As a result, the buyer's name would still appear on these documents when the seller reviews the offer to purchase, defeating the purpose of the bill. Conversely, it could place a real estate licensee in the position of shielding or withholding these documents from the seller until after acceptance, making it difficult for the seller to fully evaluate the strength of the offer.

In addition, 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. We are also supporting other measures to increase Fair Housing education for real estate licensees, and modifications to allow for greater Fair Housing testing and enforcement in Maryland.

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 13.

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