



March 23, 2026

The Honorable, William C. Smith, Jr., Chair
Senate Judicial Proceedings Committee
2 East Miller Senate Office Building
Annapolis, Maryland 21401

Favorable: HB 200 – Residential Property Sales – Flood Disclosure

Dear Chair, Smith and Committee Members:

The NAIOP Maryland Chapters represent approximately 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to support HB 200 as it passed the House of Delegates.

HB 200 seeks to enhance transparency and promote informed decision making in residential real estate transactions by requiring disclosure of flood risks. The disclosure will include information about a property's flood risk and history based on the FEMA designation of the location. The bill requires the disclosure to be provided via a flood risk disclosure form developed by the Department of the Environment. The amendments further define the scope of the disclosures and type of transactions covered by the disclosure requirement.

Among the House amendments is clarification that the HB 200 disclosure applies to residential property improved by four or fewer units. Residential property sales involving more than four units are financed by commercial mortgages and subject to the requirements and practices applied to commercial real estate transactions. Flood risk due diligence in commercial and multifamily transactions is well established and includes lender and investor requirements, modeling of insurance premiums and screening of natural hazards in environmental site assessments.

For these reasons, NAIOP respectfully requests your favorable report on HB 200 as it passed the House.

Sincerely,

A handwritten signature in blue ink, appearing to read "T.M. Ballentine".

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Judicial Proceedings Committee Members
Nick Manis – Manis, Canning Assoc.