



CONNECTICUT ASSOCIATION OF
REALTORS[®] INC.

Statement on

**H.B. 6485: AN ACT REGULATING SHORT SALES
Support**

Submitted to the Banks Committee
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by

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Senator Duff, Representative Barry and the members of the Banks Committee, I am writing on behalf of the 18,000 members of the Connecticut Association of REALTORS[®] (CAR) concerning RB 6485, An Act Regulating Short Sales. The Association supports this Bill.

The Association's members have been bedeviled by short sale consultants who claim the ability to obtain approvals of short sales because they know someone of authority at a lender, have some particular expertise negotiating with lenders, or know what information lenders want in order to approve a sale. These consultants are paid by taking a portion of the compensation the lender is willing to pay toward closing costs, including real estate licensee compensation, and are at times foisted on real estate licensees and closing attorneys by nervous and distressed homeowners.

In reality, these consultants sometimes do not provide any services or expertise that are not already supplied by the real estate licensee or closing attorneys. This is not to tar all consultants with the same brush. The current free-for-all in short sale consulting provides no guidance to distressed owners, attorneys or real estate licensees that the consultant actually possesses any of the background, expertise or contacts that the consultant claims to possess.

Licensure would bring training and parameters of acceptable conduct and advertising that would be useful to anyone thinking of engaging such a consultant in evaluating the consultant's ability and would assist legitimate consultants separate themselves from the charlatans among their number.

The Association therefore supports the bill.