



30 Bank Street  
PO Box 350  
New Britain  
CT 06050-0350  
06051 for 30 Bank Street  
  
(860)223-4400  
fax (860)223-4488

Testimony of Elton B. Harvey III, Esq.  
Member, Executive Committee, Connecticut Bar Association Real Property Section  
**Raised Bill 6309 *An Act Requiring a State-Wide Standardized Contract Form for the Sale of Residential Real Property***  
Insurance and Real Estate Committee  
February 17, 2011

The Connecticut Bar Association Real Property Law Section, representing more than 1,000 real estate attorneys who have a great interest in legislation affecting the practice of conveying and financing real property in Connecticut, **opposes** Raised Bill 6309 for the following reasons:

- A standardized, "one size fits all" contract will not adequately address:
  - new construction contract items, such as escrows for unfinished items, partial progress payments during construction, substantial completion and certificate of occupancy issues
  - short sales, which are sale for less than the indebtedness owed on a property, where buyer or seller may have to assume indebtedness or make repairs.
  - Real Estate Owned or REO properties where the Seller, usually a bank or holding company, often sells the property without warranty covenants or with limited warranties and with all faults.
  - Sales with leasebacks or holdover provisions where the Seller cannot vacate at the time of sale or early occupancy agreements where the Buyer needs to take possession before closing.
- A standardized contract cannot be made to fit all or even most of the possible permutations that arise in a typical residential transaction.
- A standardized contract does not address the differences in closing practices and adjustments in the cities and towns across Connecticut.
- There is currently no inequity in bargaining power between a buyer and seller of real estate who may freely avail themselves of counsel in the formation of a residential real estate contract; requiring a standardized contract would be unduly restrictive and is unnecessary.
- Connecticut lawyers have been protecting clients for generations by assisting in the negotiation of and renegotiation of such contracts.
- A buyer or seller may get a false sense of security that such a standardized contract adequately addresses their needs in a real estate transaction.
- We believe that the cost to taxpayers in drafting, monitoring, policing and updating a state-mandated contract will outweigh the benefit to the citizens.

Accordingly, on behalf of the Real Property Section of the Connecticut Bar Association, I respectfully requests that the Insurance and Real Estate Committee **reject** Raised Bill 6309, *An Act Requiring a State-Wide Standardized Contract Form for the Sale of Residential Real Property*.

Thank you for giving me the opportunity to appear before the Committee. At this time, I would be pleased to answer any questions you may have.