



CONNECTICUT ASSOCIATION OF
REALTORS[®] INC.

Statement on
**R.B. 6309: AN ACT REQUIRING A STATE-WIDE STANDARDIZED
CONTRACT FORM FOR THE SALE OF RESIDENTIAL REAL PROPERTY**

OPPOSE

Submitted to the Committee on Insurance and Real Estate

February 17, 2011

By Eugene A. Marconi, General Counsel
Connecticut Association of REALTORS®, Inc

Good day Senator Crisco, Representative Megna and members of the committee. My name is Eugene Marconi and I am the General Counsel for the Connecticut Association of REALTORS®. I have the privilege of speaking on behalf of the 17,000 members of the Association in opposition to Raised Bill 6309 An Act Requiring a State-Wide Standardized Contract Form for the Sale of Residential Real Property. There are several reasons for the Association's opposition to this Bill.

1. A standard contract cannot fit all possible permutations involved with even the most routine residential purchase and sale transaction. Realtors® have long experience with the use of fill-in-the-blank forms. These forms have been adapted to use multiple addenda, optional provisions, test contingencies, and notices that have been drafted by attorneys for use with the basic purchase contract forms in order to accommodate the negotiations of the buyer and the seller and some of the permutations involved in a real estate transaction. There is no state agency that currently possesses the expertise or the institutional memory to produce these forms;
2. The forms require constant monitoring and updating to adapt to new issues that arise with residential sales. Every form in the Association's inventory is reviewed by its attorneys at least once per year. There have been times when there have been monthly changes and revisions to the purchase contract form and its accompanying contingency addenda. The regulatory process is ill-suited to adapting forms to new and emerging issues;
3. The principles underlying the concept of freedom of contract would be undermined by the state dictating the terms on which buyers and sellers are entitled to bargain. Even the current crop of fill-in-the-blank forms are subject to the wants, desires and wishes of the buyers and sellers negotiating over the terms;
4. There are currently no mandated real estate purchase agreement forms in use in Connecticut. Although there are many different sources of forms, from commercial suppliers to Realtor® boards to Bar Associations to real estate brokerage companies, no use of any of these forms is mandated, and they all must give way to the negotiations and preferences of the seller, buyer and their attorneys and the permutations and exigencies of the transaction. These bills would institute a new regime of required use of a particular form for every real estate transaction regardless of the negotiations of the parties or the requirements of the transaction.

Thank you for your time, and I will be happy to answer any of your questions.

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