



CONNECTICUT ASSOCIATION OF

REALTORS[®] INC.

Statement on

H.B. 5417: An Act Concerning Broker Price Opinions - SUPPORT

Submitted to the Banks Committee

Thursday, March 15 2012

by Don Orsini
Oakville

Honorable co-chairs and members of the Banks Committee, my name is Don Orsini and I'm associated with Stone Tower Realty in Oakville. I'm also a member of the Legislative Committee of the Connecticut Association of REALTORS®.

I wish to add my voice to Linda Fercodini's in asking you to support House Bill 5417: An Act Concerning Broker Price Opinions.

Here are a few more reasons why the bill should be approved:

- (1) Just like appraisers, real estate brokers and salesmen are licensed and policed by a State Commission within the Department of Consumer Protection. In fact, our license law pre-dates the Appraisal Licensing Law! That means our conduct and work products, including BPO's, are subject to strict regulation to protect the public.
- (2) There's clearly an unmet market demand for real estate brokers and salespersons to perform BPO's when requested by bankers and attorneys. Apparently the appraisal community has either been unable, or unwilling, to meet this demand. Pressure to satisfy that need (for "abbreviated" evaluations, as opposed to extensive appraisals) consequently has been placed on licensed real estate brokers and salespersons. Yet Connecticut law does not allow it!
- (3) The "Dodd-Frank" Act passed by Congress broadly permits BPO's except as the primary basis for a loan origination decision for a principal residence.
- (4) The U.S. Treasury recognizes the use of BPO's to establish eligibility for their federal mortgage "rescue" programs, HAMP and HAFA.
- (5) Connecticut's rigid law was enacted *before* the current mortgage crisis; it did not foresee the valuable mortgage servicing role BPO's would play, to include short sales and loan modifications. Our state should not unreasonably limit the flow of valuable information provided by real estate agents to assist others in the process of making sound decisions.

Thank you for raising House Bill 5417 and giving it this hearing. Please support it.

Thank you. Are there any questions?



The Voice for Real Estate™ in Connecticut

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